

**May 2025**

**Manual of Rules and Rates  
NOVA SCOTIA**

**2025 Private Passenger CLEAR Rate Group Tables and  
2025 Commercial Rate Group Tables  
Effective September 1, 2025 (New Business and Renewals)**

**Effective September 1, 2025** Facility Association is implementing the following update for new business and renewals in Nova Scotia:

- 2025 Private Passenger CLEAR Rate Group Tables having a range of 1-14 for Accident Benefits Rate Groups;
- 2025 Commercial Rate Group Tables ( Tables I and II).

The Facility Association website [www.facilityassociation.com](http://www.facilityassociation.com) has been updated with this information.

This bulletin is being distributed by the Servicing Carrier, to whom all enquiries should be addressed.

**February 2025**

**Manual of Rules and Rates  
Nova Scotia**

**Revised Rate Pages for Commercial Vehicles and Various Rule Changes  
Effective June 1, 2025 (New Business and Renewals)**

**Effective June 1, 2025** Facility Association is implementing the following update for new business and renewals in Nova Scotia:

- Revised rate pages for Commercial Vehicles. There is no rate change associated with this class of business.
- There are various rule changes in Private Passenger, Commercial, Public, Recreational, Garage and Driver's Policy sections of the manual.
- A summary of the rule changes are attached to the Manual Bulletin on the Facility Association website.

The Facility Association website [www.facilityassociation.com](http://www.facilityassociation.com) has been updated with this information.

This bulletin is being distributed by Servicing the Carrier, to whom all enquiries should be addressed.

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<b>PRIVATE PASSENGER SECTION</b>				
Table of Contents	<b>Rule 138: Outside Nova Scotia Exposure .....</b> A. Outside Nova Scotia Exposure Surcharge ..... B. Currency Differential Surcharge .....	<b>Rule 138: Outside Nova Scotia Province Exposure.</b> A. Outside Nova Scotia Exposure Surcharge..... <del>B. Currency Differential Surcharge .....</del>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium
Rule 111  Rating Class	<b>Notes: Class 05 and 06</b> 1. The vehicle is first rated as if there are no occasional drivers licensed less than 9 years in Canada or U.S.; premium is then charged for such occasional drivers by adding the Liability, DCPD and Collision premium for Class 05 or Class 06. It is not permissible to issue a policy solely at Class 05 or 06 rates.  2. The Liability limit and Collision deductible for Classes 05 or 06 drivers must be identical to the limit and deductibles provided for the vehicle.	<b>Notes: Class 05 and 06</b> 1. The vehicle is first rated as if there are no occasional drivers licensed less than 9 years in Canada or U.S.; premium is then charged for such occasional drivers by adding the Liability, DCPD and Collision premium Coverage for Class 05 or Class 06. It is not permissible to issue a policy solely at Class 05 or 06 rates.  2. The Liability limit and Collision deductible for Classes 05 or 06 drivers must be identical to the limit and deductibles provided for the vehicle.	FA manual update to align wordings across jurisdictions	This will not impact premium
Rule 113: Driving Record  B. Driving Record Entitlement	<b>Notes:</b> 1. A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.  ..... 11. Tourist or Temporary Resident  A. If the principal operator is a non-resident of Canada touring North America, the remarks section of the application must indicate:  ... 3) the anticipated length and purpose of the visit. If touring, the remarks section must indicate the anticipated itinerary – Refer to Rules 138: Outside Nova Scotia Exposure Surcharge and 144: Vehicles Used Outside Jurisdiction of Registration.	<b>Notes:</b> 1. The driving record established applies to all coverages for which a driving record is a factor. There is no split rating. A chargeable accident will affect the rating of the Liability, DCPD ( <i>Not available in Northwest Territories, Nunavut and Yukon</i> ) and Collision coverages.  ..... 11. Tourist or Temporary Resident  A. If the principal operator is a non-resident of Canada touring North America, the remarks section of the application must indicate:  ... 3) the anticipated length and purpose of the visit. If touring, the remarks section must indicate the anticipated itinerary – Refer to Rules 138: <del>Outside Nova Scotia Exposure Surcharge</del> and 144: <del>Vehicles Used Outside Jurisdiction of Registration.</del>	Upon a review of FA rule there needs to be an updated to align with current rate pages	This will not impact premiums

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 131.D.3  Time on Risk Tables	<p><b>D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)</b></p> <p>...</p> <p>3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as "Nil" there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>For example: The insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in Halifax. The annual premium is \$1,250 excluding any premium calculation for November and December. Using the Pro Rata Day Table, calculate the pro rata fraction for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be \$205.</p>	<p><b>D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)</b></p> <p>...</p> <p>3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as "Nil" there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for <del>U.S.</del> outside Province/ Territory including the U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>For example: The Insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in Halifax. The annual premium is \$1,250 excluding any premium calculation for November and December. Using the Pro Rata Day Table, calculate the pro rata fraction for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be \$205.</p>	Include reference of U.S. Exposure to Outside Province/ Territory Exposure.	This may impact premium
Rule 138:  Outside Nova Scotia Exposure	<p><b>Rule 138: Outside Nova Scotia Exposure</b></p> <p><b>A. Outside Nova Scotia Exposure Surcharge</b></p> <p>Any vehicle registered in Nova Scotia and operated in the U.S. or another Canadian jurisdiction (excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers. The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The insured must advise the Agent/Broker the percentage of the total mileage that the vehicle will be used outside the jurisdiction and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 144: Vehicles Used Outside Jurisdictions of Registration.</p> <p>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard),</p>	<p><b>Rule 138: Outside <del>Nova Scotia</del> Province Exposure</b></p> <p><b>A. Outside <del>Nova Scotia</del> Province Exposure Surcharge</b></p> <p>Any vehicle <del>registered in Nova Scotia and</del> operated in the <del>U.S. or another Canadian jurisdiction or the U.S. (excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador)</del> is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required <del>and/or</del> where the vehicles are used for business, commercial purposes or are carrying passengers. The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of <del>the</del> total mileage that the vehicle will be used outside Province/Territory including the U.S. and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 144: <del>Vehicles Used Outside Jurisdictions of Registration.</del></p> <p><del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply</del></p>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																				
Rule 138:  Outside Nova Scotia Exposure	<p>DCPD, Accident Benefits, Uninsured Automobile and END 44.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><b>Liability, DCPD, Accident Benefits, Uninsured Automobile, END 44</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table>	Outside Nova Scotia Exposure	Applicable Surcharge	5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Nova Scotia Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	<p><del>to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.</del></p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><b>Liability, Accident Benefits, Uninsured Automobile, DCPD, END 44</b></p> <p><del>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</del></p> <p>If this exposure is 5.0% or less of total mileage in the U.S. or applicable Canadian jurisdiction, a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile, DCPD and END 44</p> <p>If this exposure is over 5.0% of total mileage in the U.S. or applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table>	Outside Nova Scotia Province Exposure	Applicable Surcharge	Up to 5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Nova Scotia Province Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
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# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 138:  Outside Nova Scotia Exposure	<p><b>B. Currency Differential Surcharge</b> Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</p> <p>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</p> <p><b>The surcharge percentage is calculated by means of the following formula:</b></p> <p><b>Currency differential x Outside Nova Scotia exposure surcharge</b></p> <p>For example: The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The Outside Nova Scotia exposure surcharge is 25%.</p> <p><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></p> <p><b>The currency differential surcharge is</b> 1. Applied only to the Liability premium (Road/Passenger Hazard) not DCPD. 2. Not subject to a minimum surcharge.</p> <p>3. Additional to but not compounded on the Outside Nova Scotia exposure surcharge.</p> <p>Example: The Liability premium is \$1,000 Outside N.S. Exposure Surcharge is 25% The Currency Differential Surcharge is 7.75% Base Premium \$1,000 Outside N.S. Exposure \$1,000 X .25 \$250 Currency Differential \$1,000 X 7.75 = 77.50 \$78 Total Liability premium \$1,328</p>	<p><del><b>B. Currency Differential Surcharge</b> Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</del></p> <p><del>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</del></p> <p><del><b>The surcharge percentage is calculated by means of the following formula:</b></del></p> <p><del><b>Currency differential x Outside Nova Scotia exposure surcharge</b></del></p> <p><del>For example: The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The Outside Nova Scotia exposure surcharge is 25%.</del></p> <p><del><b>Currency differential surcharge:</b> <del>0.31 X 25% = 7.75%</del></del></p> <p><del><b>The currency differential surcharge is</b> 1. Applied only to the Liability premium (Road/Passenger Hazard) not DCPD. 2. Not subject to a minimum surcharge.</del></p> <p><del>3. Additional to but not compounded on the Outside Nova Scotia exposure surcharge.</del></p> <p><del>Example: The Liability premium is \$1,000 Outside N.S. Exposure Surcharge is 25% The Currency Differential Surcharge is 7.75% Base Premium \$1,000 Outside N.S. Exposure \$1,000 X .25 \$250 Currency Differential \$1,000 X 7.75 = 77.50 \$78 Total Liability premium \$1,328</del></p>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium

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### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 138:  Outside Nova Scotia Exposure	<p>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</p> <p>5. Payable only when proof of insurance is required by U.S. authorities.</p> <p>6. The combined dollar value of the currency differential surcharge and the Outside Nova Scotia exposure surcharge is subject to a minimum of \$50 per policy term.</p> <p><i>For example:</i> Using the example above, the dollar value of the Outside Nova Scotia exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	<p><del>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</del></p> <p><del>5. Payable only when proof of insurance is required by U.S. authorities.</del></p> <p><del>6. The combined dollar value of the currency differential surcharge and the Outside Nova Scotia exposure surcharge is subject to a minimum of \$50 per policy term.</del></p> <p><del>For example: Using the example above, the dollar value of the Outside Nova Scotia exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</del></p>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
Rule 144:  Vehicles Used Outside Jurisdiction of Registration	<p>When a vehicle is registered in one jurisdiction but used in another, the following is to be used as a guide for rating purposes.</p> <p>1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction.</p> <p>2. If the vehicle is operated outside Nova Scotia, Nova Scotia rates and a surcharge apply. Refer to Rule 138: Outside Nova Scotia Exposure.</p> <p>3. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p>4. If the out of jurisdiction exposure is 5.0% or less and proof of insurance is required by authorities. In this case 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile and END 44 only.</p> <p>5. At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p>6. If the vehicle is operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates apply</p>	<p>When a vehicle is registered in one jurisdiction but garaged and chiefly used in another, the following is to be used as a guide for rating purposes.</p> <p>1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction.</p> <p><del>2. If the vehicle is operated outside Nova Scotia, Nova Scotia rates and a surcharge apply. Refer to Rule 138: Outside Nova Scotia Exposure.</del></p> <p>2. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p><del>4. If the out of jurisdiction exposure is 5.0% or less and proof of insurance is required by authorities. In this case 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile and END 44 only.</del></p> <p><del>5. At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</del></p> <p><del>6. If the vehicle is operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates apply</del></p>	FA aims to harmonize and simplify the wording across all jurisdictions	This may not impact premium

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 144:  Vehicles Used Outside Jurisdiction of Registratio		<p>3. If the vehicle is operated outside the jurisdiction which it is, registered, including into the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 138 to determine the surcharges applicable.</p> <p><b>NOTE:</b> At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p>	FA aims to harmonize and simplify the wording across all jurisdictions	This may impact premium
Rule 145  Purchasing Vehicles in Jurisdiction Where FA Does Not Operate	<p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for U.S. exposure.</p> <p>The territory to be used is the territory where the insured resides.</p> <p>Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% Outside Nova Scotia Exposure Surcharge applies.</p>	<p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Province/Territory <del>U.S.</del> exposure.</p> <p>The territory to be used is the territory where the insured resides.</p> <p>Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% Outside <del>Nova Scotia</del> Province/Territory Exposure Surcharge applies.</p>	Change reference of U.S. Exposure to Outside Province/ Territory Exposure.	This may impact premium
Rule 149:  Fleets	<b>A. Definition</b>	<p><b>A. Definition</b> A fleet is:</p> <ul style="list-style-type: none"> <li>• A group of 10 or more self-propelled vehicles;</li> <li>• Under Common ownership or management;</li> <li>• Used for business (incl. Class 07 and vehicles used for dual purposes), commercial or public transportation;</li> <li>• Includes vehicles on a long term lease;</li> <li>• The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</li> </ul>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums



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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</p> <p>For example: If the Insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the Insured has 132 months of Liability insurance. If the Insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</p> <p>The 120 months is established on the basis of vehicles the Insured has owned or leased from others. The Applicant is required to provide proof of valid vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</p> <p>Vehicles that the Insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 120 months of liability insurance in the past 12 months for the vehicles insured through FA. If the policy does qualify for experience rating, only the experience on the vehicles insured through FA shall be used to promulgate the rate.</p>	<p><del>A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</del></p> <p><del>For example: If the Insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the Insured has 132 months of Liability insurance. If the Insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</del></p> <p><del>The 120 months is established on the basis of vehicles the Insured has owned or leased from others. The Applicant is required to provide proof of valid vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</del></p> <p>Notes:</p> <ul style="list-style-type: none"> <li>• The Applicant is required to provide proof of vehicle registration and ownership.</li> <li>• Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</li> </ul> <p><del>Vehicles that the Insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 120 months of liability insurance in the past 12 months for the vehicles insured through FA. If the policy does qualify for experience rating, only the experience on the vehicles insured through FA shall be used to promulgate the rate.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles rated as private passenger (because of dual use), are included in the 120 month calculation. The months of Liability insurance on personal use recreational vehicles and private passenger vehicles solely used for pleasure (no driving to and from work for the Applicant's business) are not included in the 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 07 shall be added (with any claims) on the policy and in the experience rating.</p> <p>Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol> <p>A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.</p>	<p><del>The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles rated as private passenger (because of dual use), are included in the 120 month calculation. The months of Liability insurance on personal use recreational vehicles and private passenger vehicles solely used for pleasure (no driving to and from work for the Applicant's business) are not included in the 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 07 shall be added (with any claims) on the policy and in the experience rating.</del></p> <p>Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol> <p>A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149: Fleets	<p>A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.</p> <p>The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 149.</p> <p><b>B. Fleet Rating</b></p> <p>Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured through FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date to facilitate experience rating.</p> <p>Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• All Losses (At-fault and Not-at-fault) are taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim.</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles</li> <li>• Losses falling within any special agreements with the prior Insurer</li> </ul> <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p> <p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21a and 21b is not permitted.</p>	<p>A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.</p> <p>The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 149.</p> <p><b>B. Fleet Rating</b></p> <p>Fleets policies may only be issued on an annual basis.</p> <p>Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured through FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date to facilitate experience rating.</p> <p>Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• All losses (At-Fault and Not-at-fault) are taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim;</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>• Losses falling within any special agreements with the prior Insurer.</li> </ul> <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p> <p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21a and 21b is not permitted.</p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>If vehicles being added to a fleet insured through FA were previously on another fleet with the same common ownership or management as the FA fleet, these added vehicles are subject to experience rating as outlined in Rule 149:B. Fleet Rating.</p> <p><b>Midterm Rating</b> Midterm rating is not permissible for changes that occur (i.e. revision of claim reserves) during the policy term merely because of the lapse of time. If it is discovered during a policy term that a risk is a fleet it shall be experience rated at the time of next renewal. If more than one policy qualifies for fleet rating, the fleet policy shall be issued effective the renewal date of the earliest expiring policy, based on the information for all vehicles. The remaining vehicles shall be added to the fleet at the expiry date of their policies.</p> <p>If the insurance is written by more than one Servicing Carrier, each policy upon expiry shall be subject to experience rating and shall be insured to the common expiry date.</p> <p><b>Optional Physical Damage Coverage</b> Vehicles may not be covered for Comprehensive/Specified Perils only.</p> <p>The Collision portion of All Perils and Collision coverage shall be regarded as the same coverage for the purposes of determining the number of months of coverage,</p>	<p>If a risk insured through FA meets the definition of a fleet, any vehicles added to the policy will be experience rated. The policy including any subsequent renewals will remain experience rated until the risk no longer meets the definition of fleet.</p> <p>Where a new fleet is being submitted to FA and there is no verification of which claims involved which vehicles, the FA formula shall take into account the claims that occurred on all vehicles. It is the responsibility of the Agent/Broker/Insured to provide the claim history documentation for the vehicles to be insured through FA.</p> <p><del>If vehicles being added to a fleet insured through FA were previously on another fleet with the same common ownership or management as the FA fleet, these added vehicles are subject to experience rating as outlined in Rule 149:B. Fleet Rating.</del></p> <p><b>Midterm Rating</b> Midterm rating is not permissible for changes that occur (i.e. revision of claim reserves) during the policy term merely because of the lapse of time. If it is discovered during a policy term that a risk is a fleet it shall be experience rated at the time of next renewal. If more than one policy qualifies for fleet rating, the fleet policy shall be issued effective the renewal date of the earliest expiring policy, based on the information for all vehicles. The remaining vehicles shall be added to the fleet at the expiry date of their policies.</p> <p><del>If the insurance is written by more than one Servicing Carrier, each policy upon expiry shall be subject to experience rating and shall be insured to the common expiry date.</del></p> <p><b>Optional Physical Damage Coverage</b> Vehicles may not be covered for Comprehensive/Specified Perils only.</p> <p>The Collision portion of All Perils and Collision coverage shall be regarded as the same coverage for the purposes of determining the number of months of coverage, similarly, the</p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149: Fleets	<p>similarly, the portion of All Perils and, Comprehensive and Specified Perils shall be regarded as the same coverage.</p> <p>Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the claims shall be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> Any reserve change for a loss in any previous term shall be added to the incurred losses of the policy term in which the reserve was changed.</p> <p><i>For example:</i> The new policy term will be May 1, 1999 to May 1, 2000. The insured had 2 losses between May 1, 1998 and May 1, 1999. The insured had 2 losses between May 1, 1997 and May 1, 1998. The insured had no losses between May 1, 1996 and May 1, 1997 but in September 1996 there was a \$20,000 reserve increase on a claim that occurred in 1994. When listing the losses that occurred in the 2nd Prior Year (25-36 months) on the Automobile Fleet Schedule, the \$20,000 reserve must be entered.</p> <p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b></p> <p>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</p> <p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>d) Fleet Rating Information Statement This form provides additional information about the risk.</p>	<p>portion of All Perils and, Comprehensive and Specified Perils shall be regarded as the same coverage.</p> <p>Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the claims shall be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> Any reserve change for a loss in any previous term shall be added to the incurred losses of the policy term in which the reserve was changed.</p> <p><del><i>For example:</i> The new policy term will be May 1, 1999 to May 1, 2000. The insured had 2 losses between May 1, 1998 and May 1, 1999. The insured had 2 losses between May 1, 1997 and May 1, 1998. The insured had no losses between May 1, 1996 and May 1, 1997 but in September 1996 there was a \$20,000 reserve increase on a claim that occurred in 1994. When listing the losses that occurred in the 2nd Prior Year (25-36 months) on the Automobile Fleet Schedule, the \$20,000 reserve must be entered.</del></p> <p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b></p> <p>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</p> <p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>d) Fleet Rating Information Statement or Commercial Vehicle Supplement. This form provides additional information about the risk.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149: Fleets	<p>e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p><b>2. Incomplete Fleet submission forms</b> If the necessary information required by the Servicing Carrier to properly rate the policy is not received within 15 days of the intended effective date, the policy shall be issued at the quoted premium and cancelled by registered letter.</p> <p><b>3. The applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 138: Outside Nova Scotia Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 137 Proof of Insurance.</p> <p>Fleets cannot be issued with a term of 6 months. The applicant(s) must sign and date all documentation where indicated.</p> <p><b>4. Agent/Broker responsibilities:</b> Submit all fully completed and signed fleet submission forms. Items on the binder application dealing with specific vehicles are to be answered 'Fleet Policy'. Incomplete forms shall be returned for completion resulting in policy issuance delays. Premiums are to be calculated at Driving Record 0 and must include the Outside Nova Scotia Exposure Surcharge if applicable.</p> <p>If the manual does not provide information for rating a particular risk, the Servicing Carrier will assist the Agent/Broker in establishing a method of rating. The</p>	<p>e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p><b>2. Incomplete Fleet submission forms</b> If the necessary information required by the Servicing Carrier to properly rate the policy is not received within 15 days of the intended effective date, the policy shall be issued at the quoted premium and cancelled by registered letter.</p> <p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p><del>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 138: Outside Nova Scotia Exposure.</del></p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 137 <del>Proof of Insurance.</del></p> <p><del>Fleets cannot be issued with a term of 6 months. The applicant(s) must sign and date all documentation where indicated.</del></p> <p><b>4. Agent/Broker responsibilities:</b> Submit all fully completed and signed fleet submission forms. Items on the binder application dealing with specific vehicles are to be answered 'Fleet Policy'. Incomplete forms shall be returned for completion resulting in policy issuance delays.</p> <p>Premiums are to be calculated at Driving Record 0 and must include the Outside Province/Territory Exposure surcharge if applicable.</p> <p>If the manual does not provide information for rating a particular risk, the Servicing Carrier will assist the Agent/Broker in establishing a method of rating. The Servicing Carrier will also assist in determining rate groups which are not published.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>Servicing Carrier will also assist in determining rate groups which are not published.</p> <p>Collect from the applicant the premium quoted at Driving Record 0 or arrange a premium finance contract. The Agent/Broker is responsible for the pro rata earned premium based on the correct premium calculation at Driving Record 0 in the event of non-payment by the insured.</p> <p>Issue temporary (30 day) liability cards for each self-propelled vehicle listed on the Fleet Schedule as of the date coverage was bound. It is not permissible to use a "blanket" wording of any kind.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> The Servicing Carrier shall not provide quotations or accept fleet submissions which have not been bound.</p> <p>Upon receipt of the properly completed documents the Servicing Carrier shall verify the information and loss history of the risk with the previous carrier as required and ensure prompt issuance of the policy documents.</p> <p><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the applicant, the coverages shall be cancelled without charge if all temporary liability cards are returned and received by the Servicing Carrier no later than the intended effective date (the date coverage was bound). Where the temporary liability cards are not received by the intended effective date and the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</p>	<p>Collect from the Applicant the premium quoted at Driving Record 0 or arrange a premium finance contract. The Agent/Broker is responsible for the pro rata earned premium based on the correct premium calculation at Driving Record 0 in the event of non-payment by the Insured</p> <p>Issue temporary (30 day) liability cards for each self-propelled vehicle listed on the Fleet Schedule as of the date coverage was bound. It is not permissible to use a "blanket" wording of any kind.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> The Servicing Carrier shall not provide quotations or accept fleet submissions which have not been bound.</p> <p>Upon receipt of the properly completed documents the Servicing Carrier shall verify the information and loss history of the risk with the previous carrier as required and ensure prompt issuance of the policy documents.</p> <p><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the Applicant, the coverages shall be cancelled without charge if the policy is cancelled by the Applicant no later than the <del>all temporary liability cards are returned and received by the Servicing Carrier no later than the</del> intended effective date (the date coverage was bound). <del>Where the temporary liability cards are not received by the intended effective date and the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</del></p> <p>After the effective date, where the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise</p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p><i>For example:</i> The Agent/Broker bound coverage as of June 1 and quoted the applicant a premium of \$10,000 at Driving Record 0. On June 20, the Agent/Broker receives the fleet policy from the Servicing Carrier. The fleet has been promulgated at a premium of \$12,000. The Agent/Broker advises the insured of the premium increase and the insured advises they want to cancel the policy. On July 18, the Agent/Broker advises the insurer to cancel the policy for non-payment. Because the request for cancellation was received within 30 days of June 20, the earned premium will be calculated pro rata on a premium of \$10,000.</p> <p>If a fleet rate has been established and the policy is cancelled because the applicant rejects the premium, where a new application is submitted within 30 days of the cancellation of the fleet policy, either covering the same vehicles, or covering less than 10 vehicles individually rated, and the applicant still has at least 10 vehicles insured under different FA policies, then the premium will be quoted at the full rate and not the individual vehicle premium.</p> <p><i>For example:</i> Using the above example, on September 1, the Agent/Broker resubmits substantially the same fleet for the same insured to the Servicing Carrier, quoting a premium of \$10,000 at Driving Record 0. The policy is issued at a premium of \$12,000 and the Agent/Broker receives it on September 22. The insured again rejects the additional premium and the Agent/Broker requests cancellation for non-payment on October 10. The earned premium will be calculated pro rata on a premium of \$12,000.</p> <p><b>7. Premium Calculation</b></p>	<p>the earned premium shall be calculated pro rata on the promulgated fleet rating.</p> <p><del><i>For example:</i> The Agent/Broker bound coverage as of June 1 and quoted the applicant a premium of \$10,000 at Driving Record 0. On June 20, the Agent/Broker receives the fleet policy from the Servicing Carrier. The fleet has been promulgated at a premium of \$12,000. The Agent/Broker advises the insured of the premium increase and the insured advises they want to cancel the policy. On July 18, the Agent/Broker advises the insurer to cancel the policy for non-payment. Because the request for cancellation was received within 30 days of June 20, the earned premium will be calculated pro rata on a premium of \$10,000.</del></p> <p><del>If a fleet rate has been established and the policy is cancelled because the applicant rejects the premium, where a new application is submitted within 30 days of the cancellation of the fleet policy, either covering the same vehicles, or covering less than 10 vehicles individually rated, and the applicant still has at least 10 vehicles insured under different FA policies, then the premium will be quoted at the full rate and not the individual vehicle premium.</del></p> <p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, a new application is submitted within 30 days will remain fleet rated. Individually rating the vehicle will not be permitted unless the risk no longer meets the definition of a fleet.</p> <p><del><i>For example:</i> Using the above example, on September 1, the Agent/Broker resubmits substantially the same fleet for the same insured to the Servicing Carrier, quoting a premium of \$10,000 at Driving Record 0. The policy is issued at a premium of \$12,000 and the Agent/Broker receives it on September 22. The insured again rejects the additional premium and the Agent/Broker requests cancellation for non-payment on October 10. The earned premium will be calculated pro rata on a premium of \$12,000.</del></p> <p><b>7. Premium Calculation</b></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums



# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149: Fleets	<p><b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 124 on rating of experience (fleet) rated risk.</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b></p> <p>Prior to the expiry of experience rated insurance, the Servicing Carrier may ask the Agent/Broker to have certain forms completed to update the information on record.</p> <p>Such a request will usually be made well in advance of the expiry date because of the need to issue the renewal policy/certificate/offer-to-renew before the insurance expires.</p> <p>The appropriate renewal documents shall not be issued unless and until the required forms, properly completed, have been returned.</p> <p>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</p>	<p><b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 124 on rating of experience (fleet) rated risk.</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b></p> <p>Prior to the expiry of experience rated insurance, the Servicing Carrier may ask the Agent/Broker to have certain forms completed to update the information on record.</p> <p>Such a request will usually be made well in advance of the expiry date because of the need to issue the renewal policy/certificate/offer to renew before the insurance expires.</p> <p>The appropriate renewal documents shall not be issued unless and until the required forms, properly completed, have been returned.</p> <p><del>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums
<b>COMMERCIAL SECTION</b>				
Table of Contents	<p><b>Rule 228: Outside Province Exposure .....</b></p> <p>A. Outside Province Exposure Surcharge (excluding Interurban Vehicles).....</p> <p>B. Currency Differential Surcharge (Excluding Interurban Vehicles).....</p> <p>C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles) .....</p>	<p><b>Rule 228: Outside Province Exposure .....</b></p> <p>A. Outside Province Exposure Surcharge (excluding Interurban Vehicles) <b>Error! Bookmark not defined.</b></p> <p><del>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</del></p> <p>B. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles) .....</p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium
Rule 200.D	<p><b>D. Supplementary Underwriting Documents</b></p> <p>...</p> <p>*For New Business Risks with 'No Prior Insurance', traveling out-of-province, including into the U.S., refer to Rule 204.G New Policies: No Prior Insurance, for special rating instructions.</p>	<p><b>D. Supplementary Underwriting Documents</b></p> <p>...</p> <p>*For New Business Risks with 'No Prior Insurance', traveling out-of-province, including into the U.S., refer to Rule 204.F &amp; <del>New Policies: No Prior Insurance</del>, for special rating instructions.</p>	FA aims to harmonize and simplify the wordings	This will not impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies												
Rule 206  Rating Territory	<p>The rating territories are described in the Territory section of this manual.</p> <p>...</p> <p>For vehicles used in other jurisdictions, refer to Rule 228: Outside Province exposure and Rule 234: Vehicles Used Outside Jurisdiction of Registration. Surcharge and U.S. currency differential surcharge are to be applied where required.</p>	<p>The rating territories are described in the Territory section of this manual.</p> <p>...</p> <p>For vehicles used in other jurisdictions, refer to Rule 228: <del>Outside Province exposure</del> and Rule 234: <del>Vehicles Used Outside Jurisdiction of Registration</del>. Outside Province/Territory including U.S. surcharge <del>and U.S. currency differential surcharge</del> are to be applied where required.</p>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating	This may impact premium												
Rule 212.B. Rating of Trailers	<p><b>2. Excess Trailers</b></p> <p>If the number of trailers insured by a policy exceeds the number that could be used at any one time (including with any vehicles insured by other policies/insurers), the premium under Liability for the 'excess' trailers is reduced by 50%. If all trailers do not produce the same premium, the trailer(s) that would otherwise produce the lowest premium shall be considered excess.</p> <p>For example: There are two tractors and four trailers. Two of the trailers produce premiums of \$500 each. The other two trailers produce premiums of \$700 each. The trailers that produce premiums of \$500 each will be considered excess and the Liability premiums for each of those trailers will be reduced by 50%.</p>	<p><b>2. Excess Trailers</b></p> <p>If the number of trailers insured by a policy exceeds the number that could be used at any one time (including with any vehicles insured by other policies/Insurers), the premium under Liability for the 'excess' trailers is reduced by 50%. If all trailers do not produce the same premium, the trailer(s) that would otherwise produce the lowest premium shall be considered excess.</p> <p>For example: There are two tractors and four trailers. Two of the trailers produce premiums of \$500 each. The other two trailers produce premiums of \$700 each. The trailers that produce premiums of \$500 each will be considered excess and the Liability premiums for each of those trailers will be reduced by 50%.</p>	FA aims to harmonize the wordings across all jurisdictions	This will not impact premiums												
Rule 215.E.2  Premiums	<p>2. Calculating Premium with Outside Province/ Territory Exposure:</p> <table><tr><th colspan="2">Towing Vehicles</th></tr><tr><th>Coverage</th><th>Description</th></tr><tr><td>Liability</td><td>Calculate the Outside Province/Territory exposure surcharge for Liability and add to that the currency differential surcharge (if applicable). Apply to the premium. Then apply any fleet rating or accident/conviction surcharge to the resulting premium.</td></tr></table>	Towing Vehicles		Coverage	Description	Liability	Calculate the Outside Province/Territory exposure surcharge for Liability and add to that the currency differential surcharge (if applicable). Apply to the premium. Then apply any fleet rating or accident/conviction surcharge to the resulting premium.	<p>2. Calculating Premium with Outside Province/ Territory Exposure:</p> <table><tr><th colspan="2">Towing Vehicles</th></tr><tr><th>Coverage</th><th>Description</th></tr><tr><td>Liability</td><td>Calculate the Outside Province/Territory exposure surcharge for Liability <del>and add to that the currency differential surcharge</del> (if applicable). Apply to the premium. Then apply any fleet rating or accident/conviction surcharge to the resulting premium.</td></tr></table>	Towing Vehicles		Coverage	Description	Liability	Calculate the Outside Province/Territory exposure surcharge for Liability <del>and add to that the currency differential surcharge</del> (if applicable). Apply to the premium. Then apply any fleet rating or accident/conviction surcharge to the resulting premium.	Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating	This may impact premium
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# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 228:  Outside Province Exposure	<p>Any commercial or interurban vehicle that is operated in the U.S., or another Canadian jurisdiction, is subject to a surcharge (or discount).</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required on vehicles traveling outside of the jurisdiction of registration, including into the U.S.</p> <p>If the Named Insured(s) has no prior insurance, refer to Rule 204.G: No Prior Insurance with Out-of-Province including U.S. Exposure</p> <p>NOTE: If the Named Insured has not previously traveled outside of the Province/Territory or into the U.S., the vehicle(s) shall be underwritten with <b>75% Out of Province/Territory or U.S. Exposure surcharge</b>. This applies to both Commercial and Interurban vehicles</p> <p><b>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</b> Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars. The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</p> <p><b>The surcharge percentage is calculated by means of the following formula:</b> <b>Currency differential x Percentage of U.S. exposure</b> For example: The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The vehicle travels outside the Province 50% of the time. Of</p>	<p>Any commercial or interurban vehicle that is operated in the U.S., or another Canadian jurisdiction, is subject to a surcharge (or discount).</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required on vehicles traveling outside of the jurisdiction of registration, including into the U.S.</p> <p>If the Named Insured(s) has no prior insurance, refer to Rule 204.F: <del>No Prior Insurance with Out of Province including U.S. Exposure.</del></p> <p><b>NOTE:</b> If the Named Insured has not previously traveled outside of the Province/Territory or into the U.S., the vehicle(s) shall be underwritten with <b>75% Out of Province/Territory or U.S. Exposure surcharge</b>. This applies to both Commercial and Interurban vehicles</p> <p><b><del>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</del></b> <del>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</del> <del>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</del></p> <p><b><del>The surcharge percentage is calculated by means of the following formula:</del></b> <b><del>Currency differential x Percentage of U.S. exposure</del></b> <del>For example:</del> <del>The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The vehicle travels outside the Province 50% of the time. Of that 50% total</del></p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This may impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 228:  Outside Province Exposure	<p>that 50% total Outside Province Exposure, the vehicle travels into the U.S. 25% of the time.</p> <p><b>Currency differential surcharge:</b>  <math>0.31 \times 25\% = 7.75\%</math></p> <p><b>The currency differential surcharge is</b></p> <ol style="list-style-type: none"> <li>1. Applied only to the Liability premium, not DCPD</li> <li>2. Not subject to a minimum surcharge</li> <li>3. This surcharge is an additional surcharge and not to be compounded.</li> </ol> <p>Example:  The Liability premium is \$1,000</p> <p>The percentage of Outside Province Exposure is: 50%  The percentage of U.S Exposure is: 25%  The Currency Differential Surcharge is 7.75%  <i>Note: In this example, the Currency Differential Surcharge is calculated based on the U.S. Exposure of 25%.</i></p> <p>Base Premium \$1,000  Outside Province Exposure Surcharge \$500  (\$1,000 X 0.5)  Currency Differential (\$1,000 X 0.0775) \$78  <b>Total Liability premium</b> \$1,528</p> <ol style="list-style-type: none"> <li>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</li> <li>5. Payable only when proof of insurance is required by U.S. authorities.</li> <li>6. The combined dollar value of the Currency Differential Surcharge and the Outside Province exposure surcharge is subject to a minimum of \$50 per policy term.</li> </ol> <p><i>For example: Using the example above, the dollar value of the Outside Province exposure surcharge is \$500 and the dollar value of the Currency Differential Surcharge is \$78. The total combined dollar value is \$578, well exceeding the minimum required.</i></p> <p><b>C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</b></p>	<p><del>Outside Province Exposure, the vehicle travels into the U.S. 25% of the time.</del></p> <p><del><b>Currency differential surcharge:</b></del>  <del><math>0.31 \times 25\% = 7.75\%</math></del></p> <p><del><b>The currency differential surcharge is</b></del></p> <ol style="list-style-type: none"> <li><del>1. Applied only to the Liability premium, not DCPD</del></li> <li><del>2. Not subject to a minimum surcharge</del></li> <li><del>3. This surcharge is an additional surcharge and not to be compounded.</del></li> </ol> <p><del>Example:  The Liability premium is \$1,000</del></p> <p><del>The percentage of Outside Province Exposure is: 50%  The percentage of U.S Exposure is: 25%  The Currency Differential Surcharge is 7.75%  <i>Note: In this example, the Currency Differential Surcharge is calculated based on the U.S. Exposure of 25%</i></del></p> <p><del>Base Premium \$1,000  Outside Province Exposure Surcharge \$500  (\$1,000 X 0.5)  Currency Differential (\$1,000 X 0.0775) \$78  <b>Total Liability premium</b> \$1,528</del></p> <ol style="list-style-type: none"> <li><del>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</del></li> <li><del>5. Payable only when proof of insurance is required by U.S. authorities.</del></li> <li><del>6. The combined dollar value of the Currency Differential Surcharge and the Outside Province exposure surcharge is subject to a minimum of \$50 per policy term.</del></li> </ol> <p><del><i>For example: Using the example above, the dollar value of the Outside Province exposure surcharge is \$500 and the dollar value of the Currency Differential Surcharge is \$78. The total combined dollar value is \$578, well exceeding the minimum required.</i></del></p> <p><del><b>B.C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</b></del></p>	<p>Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating</p>	<p>This may impact premium</p>

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 239:  Fleets	<p><b>B. Fleet Rating</b> Fleets policies may only be issued on an annual basis.</p> <p>Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured in FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date to facilitate experience rating.</p> <p>.....</p> <p><b>D. New Applications</b></p> <p><b>1. Forms required for Fleet Submissions</b></p> <p>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</p> <p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>c) Fleet Rating Information Statement or Commercial Vehicle Supplement This form provides additional information about the risk.</p> <p>d) Any additional supplements such as drivers list, taxi questionnaire.</p> <p>.....</p> <p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p>If proof of insurance is required by U.S. authorities, a currency differential surcharge shall be applied to the Liability premium. See Rule 228: Outside Province / Territory Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 227.</p>	<p><b>B. Fleet Rating</b> Fleets policies may only be issued on an annual basis.</p> <p>Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured through FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date so as to facilitate experience rating.</p> <p>.....</p> <p><b>D. New Applications</b></p> <p><b>1. Forms required for Fleet Submissions</b></p> <p>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</p> <p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>d) Fleet Rating Information Statement or Commercial Vehicle Supplement This form provides additional information about the risk.</p> <p>e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p>.....</p> <p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p><del>If proof of insurance is required by U.S. authorities, a currency differential surcharge shall be applied to the Liability premium. See Rule 228: Outside Province / Territory Exposure.</del></p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 227.</p>	FA aims to harmonize the wordings in all jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<b>PUBLIC SECTION</b>				
Table of Contents	<b>Rule 325: Outside Nova Scotia Exposure .....</b> A. Outside Nova Scotia Exposure Surcharge .....	<b>Rule 325: Outside Nova Scotia Province Exposure...</b> <del>A. Outside Nova Scotia Exposure Surcharge .....</del> <del>B. Currency Differential Surcharge .....</del>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium
Rule 306:  Rating Territory	<p>The rating territories are described in the Territory section of this manual.</p> <p>Public vehicles registered and used in Nova Scotia are rated using Nova Scotia premiums.</p> <p>If a filing is required for another jurisdiction, the Outside Nova Scotia surcharge must be used regardless of the percentage of total mileage driven in that other jurisdiction.</p> <p>Nova Scotia rates apply if the vehicle is operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador.</p> <p>Nova Scotia rates and a surcharge apply if the vehicle is operated outside Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador. Refer to Rule 325.</p> <p>For example: The insured business, based in Halifax, Nova Scotia, is operating a tour bus to Ontario twice a month with 40% of the annual mileage outside Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador. Nova Scotia rates and a surcharge are applicable.</p> <p>The applicable rating territory is that in which the vehicle "is and will be chiefly used". If however, the vehicle is operated regularly i.e. more than 12 trips per year to or through other territories, the highest rated of those territories is to be used.</p>	<p>The rating territories are described in the Territory section of this manual.</p> <p>Public vehicles registered and used in Nova Scotia are rated using Nova Scotia premiums.</p> <p>If a filing is required for another jurisdiction, the Outside <del>Nova Scotia</del> Province/Territory surcharge must be used regardless of the percentage of total mileage driven in that other jurisdiction.</p> <p><del>Nova Scotia rates apply if the vehicle is operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador.</del></p> <p>Nova Scotia rates and a surcharge apply if the vehicle is operated outside Nova Scotia., <del>New Brunswick, Prince Edward Island, Newfoundland and Labrador.</del> Refer to Rule 325.</p> <p><del>For example: The insured business, based in Halifax, Nova Scotia, is operating a tour bus to Ontario twice a month with 40% of the annual mileage outside Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador. Nova Scotia rates and a surcharge are applicable.</del></p> <p>The applicable rating territory is that in which the vehicle "is and will be chiefly used". If however, the vehicle is operated regularly i.e. more than 12 trips per year to or through other territories, the highest rated of those territories is to be used.</p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 308.E.6  Premium Determination	<b>E. Premium Determination</b> Ensure that the vehicle is a Public Vehicle. 1. Establish the rating territory ... 6. Apply any required outside Nova Scotia exposure surcharge and currency differential surcharge. ...	<b>E. Premium Determination</b> Ensure that the vehicle is a Public Vehicle. 1. Establish the rating territory ... 6. Apply any required outside <del>Nova Scotia</del> province/territory exposure surcharge <del>and currency differential surcharge</del> . ...	Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating	This will impact premium
Rule 309: Driving Record  B. Driving Record Entitlement	<b>Notes:</b> 1. A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.	<b>Notes:</b> 1. The driving record established applies to all coverages for which a driving record is a factor. There is no split rating. A chargeable accident will affect the rating of the Liability, DCPD ( <i>Not available in Northwest Territories, Nunavut and Yukon</i> ) and Collision coverages.	Upon a review of FA rule there needs to be an updated to align with current rate pages	This will not impact premiums
Rule 318.D  Time on Risk Tables	<b>D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)</b> 3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as "Nil" there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.  <i>For example:</i> The insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in Calgary. The annual premium is \$1,250 excluding any premium calculation for November and December. Using the Pro Rata Day Table, calculate the pro rata fraction for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be \$205.	<b>D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)</b> 3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as "Nil" there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for Outside Province including U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.  <i>For example:</i> The insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in <del>Calgary</del> Halifax. The annual premium is \$1,250 excluding any premium calculation for November and December. Using the Pro Rata Day Table, calculate the pro rata fraction for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be \$205.	Include / Change reference of U.S. Exposure to Outside Province/ Territory	This will not impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 325:  Outside Nova Scotia Exposure	<p><b>Rule 325: Outside Nova Scotia Exposure</b></p> <p><b>A. Outside Nova Scotia Exposure Surcharge</b> Any vehicle registered in Nova Scotia and operated in the U.S. or another Canadian jurisdiction (excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers. The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The insured must advise the Agent/Broker the percentage of the total mileage that the vehicle will be used outside the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 330: Vehicles Used Outside Jurisdiction of Registration.</p> <p>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits and Uninsured Automobile</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><b>Liability, DCPD, Accident Benefits, Uninsured Automobile</b> For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p>	<p><del><b>Rule 325: Outside Nova Scotia Province Exposure</b></del></p> <p><del><b>A. Outside Nova Scotia Province Exposure Surcharge</b></del> Any vehicle registered in Nova Scotia and operated in the U.S. or another Canadian jurisdiction (excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers. The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of the total mileage that the vehicle will be used outside the Province/Territory including the U.S. and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 330: Vehicles Used Outside Jurisdiction of Registration.</p> <p><del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits and Uninsured Automobile</del></p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><b>Liability, Accident Benefits, Uninsured Automobile, DCPD</b> <del>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</del></p> <p>If this exposure is 5.0% or less of total mileage in the U.S. or applicable Canadian jurisdiction, a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile and DCPD.</p> <p>If this exposure is over 5.0% of total mileage in the U.S. or applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating	This may impact premium



# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																				
Rule 325:  Outside Nova Scotia Exposure	<p>For example</p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p>For example:</p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p><b>B. Currency Differential Surcharge</b> Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</p> <p>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</p> <p><b>The surcharge percentage is calculated by means of the following formula:</b></p> <p><b>Currency differential x Outside Nova Scotia exposure surcharge</b></p>	Outside Nova Scotia Exposure	Applicable Surcharge	5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Nova Scotia Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	<p>For example</p> <table><tr><th>Outside Nova Scotia Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td><b>Up to 5% -or less-and proof-of insurance required</b></td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p>For example:</p> <table><tr><th>Outside Nova Scotia Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p><del><b>B. Currency Differential Surcharge</b></del> <del>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</del></p> <p><del>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</del></p> <p><del><b>The surcharge percentage is calculated by means of the following formula:</b></del></p> <p><del><b>Currency differential x Outside Nova Scotia exposure surcharge</b></del></p>	Outside Nova Scotia Province Exposure	Applicable Surcharge	<b>Up to 5% -or less-and proof-of insurance required</b>	5%	10%	10%	25%	25%	50%	50%	Outside Nova Scotia Province Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating	This may impact premium
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10%	10%																																							
25%	25%																																							
50%	50%																																							
Outside Nova Scotia Province Exposure	Applicable Surcharge																																							
10%	5%																																							
25%	12.5%																																							
50%	25%																																							

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 325:  Outside Nova Scotia Exposure	<p>For example: The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The Outside Nova Scotia exposure surcharge is 25%.</p> <p><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></p> <p>The currency differential surcharge is 1. Applied only to the Liability premium (Road/Passenger Hazard) not DCPD.  2. Not subject to a minimum surcharge.  3. Additional to but not compounded on the Outside Nova Scotia exposure surcharge.</p> <p>Example: The Liability premium is \$1,000 Outside N.S. Exposure Surcharge is 25% The Currency Differential Surcharge is 7.75% Base Premium \$1,000 Outside N.S. Exposure \$1,000 X .25 \$250 Currency Differential \$1,000 X 7.75 = 77.50 \$78 Total Liability premium \$1,328 4. In addition to the Servicing Carrier's fee for filing proof of insurance. 5. Payable only when proof of insurance is required by U.S. authorities.  6. The combined dollar value of the currency differential surcharge and the Outside Nova Scotia exposure surcharge is subject to a minimum of \$50 per policy term.</p> <p>For example: Using the example above, the dollar value of the Outside Nova Scotia exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	<p><del>For example: The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The Outside Nova Scotia exposure surcharge is 25%.</del></p> <p><del><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></del></p> <p><b>The currency differential surcharge is</b> <del>1. Applied only to the Liability premium (Road/Passenger Hazard) not DCPD.  2. Not subject to a minimum surcharge.  3. Additional to but not compounded on the Outside Nova Scotia exposure surcharge.</del></p> <p><del>Example: The Liability premium is \$1,000 Outside N.S. Exposure Surcharge is 25% The Currency Differential Surcharge is 7.75% Base Premium \$1,000 Outside N.S. Exposure \$1,000 X .25 \$250 Currency Differential \$1,000 X 7.75 = 77.50 \$78 Total Liability premium \$1,328 4. In addition to the Servicing Carrier's fee for filing proof of insurance. 5. Payable only when proof of insurance is required by U.S. authorities.  6. The combined dollar value of the currency differential surcharge and the Outside Nova Scotia exposure surcharge is subject to a minimum of \$50 per policy term.</del></p> <p>For example: Using the example above, the dollar value of the Outside Nova Scotia exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	<p>Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating</p>	<p>This may impact premium</p>

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 330:  Vehicles Used Outside Jurisdiction of Registration	<p>When a vehicle is registered in one jurisdiction but used in another, the following is to be used as a guide for rating purposes.</p> <ol style="list-style-type: none"> <li>1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction.</li> <li>2. If the vehicle is operated outside Nova Scotia, Nova Scotia rates and a surcharge apply. Refer to Rule 138: Outside Nova Scotia Exposure.</li> <li>3. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</li> <li>4. If the out of jurisdiction exposure is 5.0% or less and proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile and END 44 only.</li> <li>5. At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</li> <li>6. If the vehicle is operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates apply.</li> </ol>	<p>When a vehicle is registered in one jurisdiction but garaged and chiefly used in another, the following is to be used as a guide for rating purposes.</p> <ol style="list-style-type: none"> <li>1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction.</li> <li><del>2. If the vehicle is operated outside Nova Scotia, Nova Scotia rates and a surcharge apply. Refer to Rule 138: Outside Nova Scotia Exposure.</del></li> <li>2. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</li> <li><del>4. If the out of jurisdiction exposure is 5.0% or less and proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile and END 44 only.</del></li> <li><del>5. At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</del></li> <li><del>6. If the vehicle is operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates apply.</del></li> <li>3. If the vehicle is operated outside the jurisdiction which it is, registered, including into the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 325 to determine the surcharges applicable.</li> </ol> <p><b>NOTE:</b> At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 331  Purchasing Vehicles in Jurisdiction Where FA Does Not Operate	<p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium. Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Nova Scotia exposure.</p> <p>The territory to be used is the territory where the insured resides.</p> <p>Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% Outside Nova Scotia Exposure Surcharge applies.</p>	<p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Province/Territory <del>Nova Scotia</del> exposure.</p> <p>The territory to be used is the territory where the insured resides.</p> <p>Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% Outside <del>Nova Scotia</del> Province/Territory Exposure Surcharge applies.</p>	Change reference of U.S. Exposure to Outside Province/ Territory Exposure.	This may impact premium
Rule 335:  Fleets	<p><b>A. Definition</b></p> <p>A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured. <i>For example:</i> If the Insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for</p>	<p><b>A. Definition</b> A fleet is:</p> <ul style="list-style-type: none"> <li>• A group of 10 or more self-propelled vehicles;</li> <li>• Under Common ownership or management;</li> <li>• Used for business (incl. Class 07 and vehicles used for dual purposes), commercial or public transportation;</li> <li>• Includes vehicles on a long term lease;</li> <li>• The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</li> </ul> <p><del>A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</del> <del><i>For example:</i> If the Insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p>Liability for the past 12 months, the Insured has 132 months of Liability insurance. If the Insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</p> <p>The 120 months is established on the basis of vehicles the Insured has owned or leased from others. The Applicant is required to provide proof of valid vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</p> <p>Vehicles that the Insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 120 months of liability insurance in the past 12 months for the vehicles insured through FA. If the policy does qualify for experience rating, only the experience on the vehicles insured through FA shall be used to promulgate the rate. The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles rated as private passenger (because of dual use), are included in the 120 month calculation. The months of Liability insurance on personal use recreational vehicles and private passenger vehicles solely used for pleasure (no driving to and from work for the Applicant's business) are not included in the 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated</p>	<p><del>the past 12 months, the Insured has 132 months of Liability insurance. If the Insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</del></p> <p><del>The 120 months is established on the basis of vehicles the Insured has owned or leased from others. The Applicant is required to provide proof of valid vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</del></p> <p>Notes:</p> <ul style="list-style-type: none"> <li>• The Applicant is required to provide proof of vehicle registration and ownership.</li> <li>• Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</li> </ul> <p><del>Vehicles that the Insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 120 months of liability insurance in the past 12 months for the vehicles insured through FA. If the policy does qualify for experience rating, only the experience on the vehicles insured through FA shall be used to promulgate the rate. The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles rated as private passenger (because of dual use), are included in the 120 month calculation. The months of Liability insurance on personal use recreational vehicles and private passenger vehicles solely used for pleasure (no driving to and from work for the Applicant's business) are not included in the 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 07 shall be added (with any claims) on the policy and in the experience rating.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335: Fleets	<p>07 shall be added (with any claims) on the policy and in the experience rating.</p> <p>Where a new fleet is being submitted to FA consisting of vehicles which are a sub-group of a voluntary market fleet and there is no verification of which claims involved which vehicles, the FA formula shall take into account the claims that occurred on all vehicles. It is the responsibility of the Agent/Broker/Insured to provide the claim history documentation for the vehicles to be insured through FA. Where a vehicle(s) on an existing fleet is being newly insured through FA, the claim history shall follow the vehicle(s).</p> <p>Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol> <p>A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications</p>	<p><del>Where a new fleet is being submitted to FA consisting of vehicles which are a sub-group of a voluntary market fleet and there is no verification of which claims involved which vehicles, the FA formula shall take into account the claims that occurred on all vehicles. It is the responsibility of the Agent/Broker/Insured to provide the claim history documentation for the vehicles to be insured through FA. Where a vehicle(s) on an existing fleet is being newly insured through FA, the claim history shall follow the vehicle(s).</del></p> <p>Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol> <p>A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications</p> <p>A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p>The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 335.</p> <p><b>B. Fleet Rating</b></p> <p>Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured in FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date so as to facilitate experience rating.</p> <p>Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• All losses (At Fault and Not-at-fault) are taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim.</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles</li> <li>• Losses falling within any special agreements with the prior Insurer</li> </ul> <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p> <p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21a and 21b is not permitted</p>	<p>The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 335.</p> <p><b>B. Fleet Rating</b></p> <p>Fleets policies may only be issued on an annual basis.</p> <p>Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured through FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date so as to facilitate experience rating.</p> <p>Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• All losses (At Fault and Not-at-fault) are taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim;</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>• Losses falling within any special agreements with the prior Insurer.</li> </ul> <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p> <p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21a and 21b is not permitted.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p>If vehicles being added to a fleet insured through FA were previously on another fleet with the same common ownership or management as the FA fleet, these added vehicles are subject to experience rating as outlined in Rule 335:B. Fleet Rating.</p> <p><b>Midterm Rating</b> Midterm rating is not permissible for changes that occur (i.e. revision of claim reserves) during the policy term merely because of the lapse of time.</p> <p>If it is discovered during a policy term that a risk is a fleet it shall be experience rated at the time of next renewal. If more than one policy qualifies for fleet rating, the fleet policy shall be issued effective the renewal date of the earliest expiring policy, based on the information for all vehicles. The remaining vehicles shall be added to the fleet at the expiry date of their policies.</p> <p>If the insurance is written by more than one Servicing Carrier, each policy upon expiry shall be subject to experience rating and shall be insured to the common expiry date.</p> <p><b>Optional Physical Damage Coverage</b> Vehicles may not be covered for Comprehensive/Specified Perils only. The Collision portion of All Perils and Collision coverage shall be regarded as the same coverage for the purposes of determining the number of months of coverage,</p>	<p>If a risk insured through FA meets the definition of a fleet, any vehicles added to the policy will be experience rated. The policy including any subsequent renewals will remain experience rated until the risk no longer meets the definition of fleet.</p> <p>Where a new fleet is being submitted to FA and there is no verification of which claims involved which vehicles, the FA formula shall take into account the claims that occurred on all vehicles. It is the responsibility of the Agent/Broker/Insured to provide the claim history documentation for the vehicles to be insured through FA.</p> <p><del>If vehicles being added to a fleet insured through FA were previously on another fleet with the same common ownership or management as the FA fleet, these added vehicles are subject to experience rating as outlined in Rule 335:B. Fleet Rating.</del></p> <p><b>Midterm Rating</b> Midterm rating is not permissible for changes that occur (i.e. revision of claim reserves) during the policy term merely because of the lapse of time.</p> <p>If it is discovered during a policy term that a risk is a fleet it shall be experience rated at the time of next renewal. If more than one policy qualifies for fleet rating, the fleet policy shall be issued effective the renewal date of the earliest expiring policy, based on the information for all vehicles. The remaining vehicles shall be added to the fleet at the expiry date of their policies.</p> <p><del>If the insurance is written by more than one Servicing Carrier, each policy upon expiry shall be subject to experience rating and shall be insured to the common expiry date.</del></p> <p><b>Optional Physical Damage Coverage</b> Vehicles may not be covered for Comprehensive/Specified Perils only. The Collision portion of All Perils and Collision coverage shall be regarded as the same coverage for the purposes of determining the number of months of coverage, similarly, the</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums



# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335: Fleets	<p>similarly, the portion of All Perils and, Comprehensive and Specified Perils shall be regarded as the same coverage. Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the claims shall be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> Any reserve change for a loss in any previous term shall be added to the incurred losses of the policy term in which the reserve was changed.</p> <p><i>For example:</i> The new policy term will be May 1, 1999 to May 1, 2000. The insured had 2 losses between May 1, 1998 and May 1, 1999. The insured had 2 losses between May 1, 1997 and May 1, 1998. The insured had no losses between May 1, 1996 and May 1, 1997 but in September 1996 there was a \$20,000 reserve increase on a claim that occurred in 1994. When listing the losses that occurred in the 2nd Prior Year (25-36 months) on the Automobile Fleet Schedule, the \$20,000 reserve must be entered.</p> <p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b></p> <p>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</p> <p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>d) Fleet Rating Information Statement This form provides additional information about the risk.</p> <p>e) Any additional supplements such as drivers list, taxi questionnaire.</p>	<p>portion of All Perils and, Comprehensive and Specified Perils shall be regarded as the same coverage. Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the claims shall be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> Any reserve change for a loss in any previous term shall be added to the incurred losses of the policy term in which the reserve was changed.</p> <p><del><i>For example:</i> The new policy term will be May 1, 1999 to May 1, 2000. The insured had 2 losses between May 1, 1998 and May 1, 1999. The insured had 2 losses between May 1, 1997 and May 1, 1998. The insured had no losses between May 1, 1996 and May 1, 1997 but in September 1996 there was a \$20,000 reserve increase on a claim that occurred in 1994. When listing the losses that occurred in the 2nd Prior Year (25-36 months) on the Automobile Fleet Schedule, the \$20,000 reserve must be entered.</del></p> <p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b></p> <p>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</p> <p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>d) Fleet Rating Information Statement or Commercial Vehicle Supplement. This form provides additional information about the risk.</p> <p>e) Any additional supplements such as drivers list, taxi questionnaire.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p><b>2. Incomplete Fleet submission forms</b> If the necessary information required by the Servicing Carrier to properly rate the policy is not received within 15 days of the intended effective date, the policy shall be issued at the quoted premium and cancelled by registered letter.</p> <p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 325: Outside Nova Scotia Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 324: Proof of Insurance. Fleets cannot be issued with a term of 6 months. The applicant(s) must sign and date all documentation where indicated.</p> <p><b>4. Agent/Broker responsibilities:</b> Submit all fully completed and signed fleet submission forms. Items on the binder application dealing with specific vehicles are to be answered 'Fleet Policy'. Incomplete forms shall be returned for completion resulting in policy issuance delays.</p> <p>Premiums are to be calculated at Driving Record 0 and must include the Outside Nova Scotia Exposure Surcharge if applicable.</p> <p>If the manual does not provide information for rating a particular risk, the Servicing Carrier will assist the Agent/Broker in establishing a method of rating. The Servicing Carrier will also assist in determining rate groups which are not published.</p>	<p><b>2. Incomplete Fleet submission forms</b> If the necessary information required by the Servicing Carrier to properly rate the policy is not received within 15 days of the intended effective date, the policy shall be issued at the quoted premium and cancelled by registered letter.</p> <p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p><del>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 325: Outside Nova Scotia Exposure.</del></p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 324: <del>Proof of Insurance.</del> <del>Fleets cannot be issued with a term of 6 months.</del> <del>The applicant(s) must sign and date all documentation where indicated.</del></p> <p><b>4. Agent/Broker responsibilities:</b> Submit all fully completed and signed fleet submission forms. Items on the binder application dealing with specific vehicles are to be answered 'Fleet Policy'. Incomplete forms shall be returned for completion resulting in policy issuance delays.</p> <p>Premiums are to be calculated at Driving Record 0 and must include the Outside Province/Territory <del>Nova Scotia</del> Exposure surcharge if applicable.</p> <p>If the manual does not provide information for rating a particular risk, the Servicing Carrier will assist the Agent/Broker in establishing a method of rating. The Servicing Carrier will also assist in determining rate groups which are not published.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p>Collect from the applicant the premium quoted at driving record 0 or arrange a premium finance contract. The Agent/Broker is responsible for the pro rata earned premium based on the correct premium calculation at Driving Record 0 in the event of non-payment by the insured.</p> <p>Issue temporary (30 day) liability cards for each self-propelled vehicle listed on the Fleet Schedule as of the date coverage was bound. It is not permissible to use a "blanket" wording of any kind.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> The Servicing Carrier shall not provide quotations or accept fleet submissions which have not been bound.</p> <p>Upon receipt of the properly completed documents the Servicing Carrier shall verify the information and loss history of the risk with the previous carrier as required and ensure prompt issuance of the policy documents.</p> <p><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the applicant, the coverages shall be cancelled without charge if all temporary liability cards are returned and received by the Servicing Carrier no later than the intended effective date (the date coverage was bound). Where the temporary liability cards are not received by the intended effective date and the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</p>	<p>Collect from the Applicant the premium quoted at driving record 0 or arrange a premium finance contract. The Agent/Broker is responsible for the pro rata earned premium based on the correct premium calculation at Driving Record 0 in the event of non-payment by the Insured.</p> <p>Issue temporary (30 day) liability cards for each self-propelled vehicle listed on the Fleet Schedule as of the date coverage was bound. It is not permissible to use a "blanket" wording of any kind.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> The Servicing Carrier shall not provide quotations or accept fleet submissions which have not been bound.</p> <p>Upon receipt of the properly completed documents the Servicing Carrier shall verify the information and loss history of the risk with the previous carrier as required and ensure prompt issuance of the policy documents.</p> <p><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the Applicant, the coverages shall be cancelled without charge if the policy is cancelled by the Applicant no later than the <del>all temporary liability cards are returned and received by the Servicing Carrier no later than the intended effective date</del> (the date coverage was bound). <del>Where the temporary liability cards are not received by the intended effective date and the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</del></p> <p>After the effective date, where the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p><i>For example:</i> The Agent/Broker bound coverage as of June 1 and quoted the applicant a premium of \$10,000 at Driving Record 0. On June 20, the Agent/Broker receives the fleet policy from the Servicing Carrier. The fleet has been promulgated at a premium of \$12,000. The Agent/Broker advises the insured of the premium increase and the insured advises they want to cancel the policy. On July 18, the Agent/Broker advises the insurer to cancel the policy for non-payment. Because the request for cancellation was received within 30 days of June 20, the earned premium will be calculated pro rata on a premium of \$10,000.</p> <p>If a fleet rate has been established and the policy is cancelled because the applicant rejects the premium, where a new application is submitted within 30 days of the cancellation of the fleet policy, either covering the same vehicles, or covering less than 10 vehicles individually rated, and the applicant still has at least 10 vehicles insured under different FA policies, then the premium will be quoted at the full rate and not the individual vehicle premium.</p> <p><i>For example:</i> Using the above example, on September 1, the Agent/Broker resubmits substantially the same fleet for the same insured to the Servicing Carrier, quoting a premium of \$10,000 at Driving Record 0. The policy is issued at a premium of \$12,000 and the Agent/Broker receives it on September 22. The insured again rejects the additional premium and the Agent/Broker requests cancellation for non-payment on October 10. The earned premium will be calculated pro rata on a premium of \$12,000.</p> <p><b>7. Premium Calculation Note:</b></p>	<p>quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</p> <p><del><i>For example:</i> The Agent/Broker bound coverage as of June 1 and quoted the applicant a premium of \$10,000 at Driving Record 0. On June 20, the Agent/Broker receives the fleet policy from the Servicing Carrier. The fleet has been promulgated at a premium of \$12,000. The Agent/Broker advises the insured of the premium increase and the insured advises they want to cancel the policy. On July 18, the Agent/Broker advises the insurer to cancel the policy for non-payment. Because the request for cancellation was received within 30 days of June 20, the earned premium will be calculated pro rata on a premium of \$10,000.</del></p> <p><del>If a fleet rate has been established and the policy is cancelled because the applicant rejects the premium, where a new application is submitted within 30 days of the cancellation of the fleet policy, either covering the same vehicles, or covering less than 10 vehicles individually rated, and the applicant still has at least 10 vehicles insured under different FA policies, then the premium will be quoted at the full rate and not the individual vehicle premium.</del></p> <p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, a new application is submitted within 30 days will remain fleet rated.</p> <p>Individually rating the vehicle will not be permitted unless the risk no longer meets the definition of a fleet.</p> <p><del><i>For example:</i> Using the above example, on September 1, the Agent/Broker resubmits substantially the same fleet for the same insured to the Servicing Carrier, quoting a premium of \$10,000 at Driving Record 0. The policy is issued at a premium of \$12,000 and the Agent/Broker receives it on September 22. The insured again rejects the additional premium and the Agent/Broker requests cancellation for non-payment on October 10. The earned premium will be calculated pro rata on a premium of \$12,000.</del></p> <p><b>7. Premium Calculation Note:</b></p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<ul style="list-style-type: none"> <li>Refer to Rule 313 on rating of experience (fleet) rated risk</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b> Prior to the expiry of experience rated insurance, the Servicing Carrier may ask the Agent/Broker to have certain forms completed to update the information on record.</p> <p>Such a request will usually be made well in advance of the expiry date because of the need to issue the renewal policy/certificate/offer-to- renew before the insurance expires.</p> <p>The appropriate renewal documents shall not be issued unless and until the required forms, properly completed, have been returned.</p> <p>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</p>	<ul style="list-style-type: none"> <li>Refer to Rule 313 on rating of experience (fleet) rated risk</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b> Prior to the expiry of experience rated insurance, the Servicing Carrier may ask the Agent/Broker to have certain forms completed to update the information on record.</p> <p>Such a request will usually be made well in advance of the expiry date because of the need to issue the renewal policy/certificate/offer to renew before the insurance expires.</p> <p>The appropriate renewal documents shall not be issued unless and until the required forms, properly completed, have been returned.</p> <p><del>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums
<b>RECREATIONAL SECTION</b>				
Table of Contents	<p><b>Rule 427: Outside Nova Scotia Exposure .....</b></p> <p>A. Outside Nova Scotia Exposure Surcharge .....</p> <p>B. Currency Differential Surcharge .....</p>	<p><b>Rule 427: Outside Nova Scotia Province Exposure.</b></p> <p><del>A. Outside Nova Scotia Exposure Surcharge .....</del></p> <p><del>B. Currency Differential Surcharge .....</del></p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium
Rule 407.D  Policy Issuance – General	<p><b>D. Use Outside Jurisdiction in Which Vehicle is Registered</b> For any vehicle registered and operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates apply.</p> <p>If the vehicle is operated outside Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates and a surcharge apply. Refer to Rule 427: Outside Nova Scotia Exposure.</p>	<p><b>D. Use Outside Jurisdiction in Which Vehicle is Registered</b> <del>For any vehicle registered and operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates apply.</del></p> <p><del>If the vehicle is operated outside Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates and a surcharge apply. Refer to Rule 427: Outside Nova Scotia Exposure.</del></p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 407.D  Policy Issuance – General	NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.	If there is regular or frequent use of a vehicle outside the jurisdiction in which the vehicle is usually garaged, full details must be submitted to the Servicing Carrier so that the appropriate rates may be established. Refer to Rule 427.  <del>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</del>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 409: Motorcycles & Mopeds  B. Driving Record	<b>1. Driving Record Entitlement</b> .....  The driving record established applies to all coverage. A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.	<b>1. Driving Record Entitlement</b> .....  The driving record established applies to all coverage for which a driving record is a factor. There is no split rating. A chargeable accident will affect the rating of the Liability, DCPD ( <i>Not available in Northwest Territories, Nunavut and Yukon</i> ) and Collision coverages.	Upon a review of FA rule there needs to be an updated to align with current rate pages	This will not impact premiums
Rule 419.D  Time on Risk Table	<b>D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)</b>  3. The tables below apply to seasonal use/Canadian conditions. If there is use outside the season or Canada during a month where the table indicates the charges as 'Nil' there shall be an additional premium charged for that month equal to pro rata of the annual premium. The surcharge for Outside Nova Scotia exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.  <i>Example 1:</i> The Insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in Calgary. The annual premium is \$1,250 excluding any premium calculation for November and December. Using the Pro Rata Day Table, calculate the pro rata factor for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be \$205.	<b>D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)</b>  3. The tables below apply to seasonal use/Canadian conditions. If there is use outside the season or Canada during a month where the table indicates the charges as 'Nil' there shall be an additional premium charged for that month equal to pro rata of the annual premium. The surcharge for Outside <del>Nova Scotia</del> Province/Territory including U.S exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.  <i>Example 1:</i> The Insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in <del>Calgary</del> Halifax. The annual premium is \$1,250 excluding any premium calculation for November and December. Using the Pro Rata Day Table, calculate the pro rata factor for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be \$205.	Include / Change reference of U.S. Exposure to Outside Province/ Territory exposure	This will not impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 419.D  Time on Risk Table	<i>Example 2:</i> The Insured has a motorcycle that will be converted for use on snow and ice for the months of November through February in addition to regular use for the remaining months of the year. The annual premium is \$1,250 excluding any premium calculation for November, December, January, February. Using the Pro Rata Day Table, calculate the pro rata factor for the months of November through February (.326) and apply that to the total annual premium. The additional premium charge for November through February will be \$408 ...	<i>Example 2:</i> The Insured has a motorcycle that will be converted for use on snow and ice for the months of November through February in addition to regular use for the remaining months of the year. The annual premium is \$1,250 excluding any premium calculation for November, December, January, and February. Using the Pro Rata Day Table, calculate the pro rata factor for the months of November through February (.326) and apply that to the total annual premium. The additional premium charge for November through February will be \$408 ...	Include / Change reference of U.S. Exposure to Outside Province/ Territory exposure	This will not impact premium
Rule 427:  Outside Nova Scotia Exposure	<b>Rule 427: Outside Nova Scotia Exposure</b>  <b>A. Outside Nova Scotia Exposure Surcharge</b>  Any vehicle registered in Nova Scotia and operated in the U.S. or another Canadian jurisdiction (excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.  The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.  The insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used outside the jurisdiction and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 433: Vehicles Used Outside Jurisdiction of Registration.  If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.  NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.	<b>Rule 427: Outside Nova Scotia Province Exposure</b>  <b>A. Outside Nova Scotia Province Exposure Surcharge</b>  Any vehicle registered in Nova Scotia and that is operated in the U.S. or another Canadian jurisdiction or the U.S (excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.  The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.  The Insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used outside the jurisdiction Province/Territory including the U.S. and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 433: Vehicles Used Outside Jurisdiction of Registration.  If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.  <b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This will impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																				
Rule 427:  Outside Nova Scotia Exposure	<p><b>Liability, DCPD, Accident Benefits, Uninsured Automobile, END 44</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p><b>B. Currency Differential Surcharge</b></p> <p>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</p>	Outside Nova Scotia Exposure	Applicable Surcharge	5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Nova Scotia Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	<p><b>Liability, <del>DCPD</del>, Accident Benefits, Uninsured Automobile, DCPD, END 44</b></p> <p><del>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</del></p> <p>If this exposure is 5.0% or less of the total mileage in the U.S. or applicable Canadian Jurisdiction, a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile, DCPD and END 44.</p> <p>If this exposure is over 5.0% of total mileage in the U.S. or applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th><del>Outside Nova Scotia</del> Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td><del>Up to 5% or less and proof of insurance required</del></td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b></p> <p>For each percentage point of mileage in the U.S. or <del>other</del> applicable Canadian jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th><del>Outside Nova Scotia</del> Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p><b><del>B. Currency Differential Surcharge</del></b></p> <p><del>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</del></p>	<del>Outside Nova Scotia</del> Province Exposure	Applicable Surcharge	<del>Up to 5% or less and proof of insurance required</del>	5%	10%	10%	25%	25%	50%	50%	<del>Outside Nova Scotia</del> Province Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
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# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																												
Rule 427:  Outside Nova Scotia Exposure	<p>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</p> <p><b>The surcharge percentage is calculated by means of the following formula:</b></p> <p><b>Currency differential x Outside Nova Scotia exposure surcharge</b></p> <p>For example: The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The Outside Nova Scotia exposure surcharge is 25%.</p> <p><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></p> <p><b>The currency differential surcharge is</b></p> <p>1. Applied only to the Liability premium (Road/Passenger Hazard) not DCPD.</p> <p>2. Not subject to a minimum surcharge.</p> <p>3. Additional to but not compounded on the Outside Nova Scotia exposure surcharge.</p> <p>Example:</p> <table><tr><td>The Liability premium is</td><td>\$1,000</td></tr><tr><td>Outside N.S. Exposure Surcharge is</td><td>25%</td></tr><tr><td>The Currency Differential Surcharge is</td><td>7.75%</td></tr><tr><td>Base Premium</td><td>\$1,000</td></tr><tr><td>Outside N.S. Exposure \$1,000 X .25</td><td>\$250</td></tr><tr><td>Currency Differential \$1,000 X 7.75 = 77.50</td><td>\$78</td></tr><tr><td>Total Liability premium</td><td>\$1,328</td></tr></table> <p>4. In addition to the Servicing Carrier’s fee for filing proof of insurance.</p> <p>5. Payable only when proof of insurance is required by U.S. authorities.</p>	The Liability premium is	\$1,000	Outside N.S. Exposure Surcharge is	25%	The Currency Differential Surcharge is	7.75%	Base Premium	\$1,000	Outside N.S. Exposure \$1,000 X .25	\$250	Currency Differential \$1,000 X 7.75 = 77.50	\$78	Total Liability premium	\$1,328	<p><del>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</del></p> <p><del><b>The surcharge percentage is calculated by means of the following formula:</b></del></p> <p><del><b>Currency differential x Outside Nova Scotia exposure surcharge</b></del></p> <p><del>For example: The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The Outside Nova Scotia exposure surcharge is 25%.</del></p> <p><del><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></del></p> <p><del><b>The currency differential surcharge is</b></del></p> <p><del>1. Applied only to the Liability premium (Road/Passenger Hazard) not DCPD.</del></p> <p><del>2. Not subject to a minimum surcharge.</del></p> <p><del>3. Additional to but not compounded on the Outside Nova Scotia exposure surcharge.</del></p> <p><del>Example:</del></p> <table><tr><td><del>The Liability premium is</del></td><td><del>\$1,000</del></td></tr><tr><td><del>Outside N.S. Exposure Surcharge is</del></td><td><del>25%</del></td></tr><tr><td><del>The Currency Differential Surcharge is</del></td><td><del>7.75%</del></td></tr><tr><td><del>Base Premium</del></td><td><del>\$1,000</del></td></tr><tr><td><del>Outside N.S. Exposure \$1,000 X .25</del></td><td><del>\$250</del></td></tr><tr><td><del>Currency Differential \$1,000 X 7.75 = 77.50</del></td><td><del>\$78</del></td></tr><tr><td><del>Total Liability premium</del></td><td><del>\$1,328</del></td></tr></table> <p><del>4. In addition to the Servicing Carrier’s fee for filing proof of insurance.</del></p> <p><del>5. Payable only when proof of insurance is required by U.S. authorities.</del></p>	<del>The Liability premium is</del>	<del>\$1,000</del>	<del>Outside N.S. Exposure Surcharge is</del>	<del>25%</del>	<del>The Currency Differential Surcharge is</del>	<del>7.75%</del>	<del>Base Premium</del>	<del>\$1,000</del>	<del>Outside N.S. Exposure \$1,000 X .25</del>	<del>\$250</del>	<del>Currency Differential \$1,000 X 7.75 = 77.50</del>	<del>\$78</del>	<del>Total Liability premium</del>	<del>\$1,328</del>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
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# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 427:  Outside Nova Scotia Exposure	<p>6. The combined dollar value of the currency differential surcharge and the Outside Nova Scotia exposure surcharge is subject to a minimum of \$50 per policy term.</p> <p><i>For example:</i> Using the example above, the dollar value of the Outside Nova Scotia exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	<p><del>6. The combined dollar value of the currency differential surcharge and the Outside Nova Scotia exposure surcharge is subject to a minimum of \$50 per policy term.</del></p> <p><del>For example:</del> Using the example above, the dollar value of the Outside Nova Scotia exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
Rule 433:  Vehicles Used Outside Jurisdiction of Registration	<p>When a vehicle is registered in one jurisdiction but used in another, the following is to be used as a guide for rating purposes.</p> <p>1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction.</p> <p>2. If the vehicle is operated outside Nova Scotia, Nova Scotia rates and a surcharge apply. Refer to Rule 138:Outside Nova Scotia Exposure.</p> <p>3. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p>4. If the out of jurisdiction exposure is 5.0% or less and proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile and END 44 only.</p> <p>5. At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p>6. If the vehicle is operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates apply.</p>	<p>When a vehicle is registered in one jurisdiction but garaged or chiefly used in another, the following is to be used as a guide for rating purposes.</p> <p>1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction.</p> <p><del>2. If the vehicle is operated outside Nova Scotia, Nova Scotia rates and a surcharge apply. Refer to Rule 138:Outside Nova Scotia Exposure.</del></p> <p>2. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p><del>4. If the out of jurisdiction exposure is 5.0% or less and proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile and END 44 only.</del></p> <p><del>5. At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</del></p> <p><del>6. If the vehicle is operated outside Nova Scotia but within New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nova Scotia rates apply.</del></p>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premium

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 433:  Vehicles Used Outside Jurisdiction of Registration		<p>3. If the vehicle is operated outside the jurisdiction which it is, registered, including into the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 427 to determine the surcharges applicable.</p> <p><b>NOTE:</b> At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums
Rule 434:  Purchasing Vehicles in Jurisdiction Where FA Does Not Operate	<p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Nova Scotia exposure.</p> <p>The territory to be used is the territory where the insured resides.</p> <p>Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% Outside Nova Scotia Exposure Surcharge applies.</p>	<p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside <del>Nova Scotia</del> Province/Territory exposure.</p> <p>The territory to be used is the territory where the insured resides.</p> <p>Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0.100% Outside <del>Nova Scotia</del> Province Exposure Surcharge applies.</p>	Change reference of Outside Province/ Territory exposure	This will not impact premium
Rule 438:  Fleets	<b>A. Definition</b>	<p><b>A. Definition</b> A fleet is:</p> <ul style="list-style-type: none"> <li>• A group of 10 or more self-propelled vehicles;</li> <li>• Under Common ownership or management;</li> <li>• Used for business (incl. Class 07 and vehicles used for dual purposes), commercial or public transportation;</li> <li>• Includes vehicles on a long term lease;</li> <li>• The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</li> </ul>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</p> <p>For example: If the Insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the Insured has 132 months of Liability insurance. If the Insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</p> <p>The 120 months is established on the basis of vehicles the Insured has owned or leased from others. The Applicant is required to provide proof of valid vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</p> <p>Vehicles that the Insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 120 months of liability insurance in the past 12 months for the vehicles insured through FA. If the policy does qualify for experience rating, only the experience on the vehicles insured through FA shall be used to promulgate the rate.</p>	<p><del>A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</del></p> <p><del>For example: If the Insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the Insured has 132 months of Liability insurance. If the Insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</del></p> <p><del>The 120 months is established on the basis of vehicles the Insured has owned or leased from others. The Applicant is required to provide proof of valid vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</del></p> <p>Notes:</p> <ul style="list-style-type: none"> <li>• The Applicant is required to provide proof of vehicle registration and ownership.</li> <li>• Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</li> </ul> <p><del>Vehicles that the Insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 120 months of liability insurance in the past 12 months for the vehicles insured through FA. If the policy does qualify for experience rating, only the experience on the vehicles insured through FA shall be used to promulgate the rate.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles rated as private passenger (because of dual use), are included in the 120 month calculation. The months of Liability insurance on personal use recreational vehicles and private passenger vehicles solely used for pleasure (no driving to and from work for the Applicant's business) are not included in the 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 07 shall be added (with any claims) on the policy and in the experience rating.</p> <p>Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol> <p>A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.</p> <p>A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.</p>	<p><del>The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles rated as private passenger (because of dual use), are included in the 120 month calculation. The months of Liability insurance on personal use recreational vehicles and private passenger vehicles solely used for pleasure (no driving to and from work for the Applicant's business) are not included in the 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 07 shall be added (with any claims) on the policy and in the experience rating.</del></p> <p>Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol> <p>A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.</p> <p>A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 438.</p> <p><b>B. Fleet Rating</b></p> <p>Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured through FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date to facilitate experience rating. Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• All losses (At-Fault and Not-at-fault) are taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim.</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application.</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles</li> <li>• Losses falling within any special agreements with the prior Insurer</li> </ul> <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p> <p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21a and 21b is not permitted.</p>	<p>The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 438.</p> <p><b>B. Fleet Rating</b></p> <p>Fleet policies may only be issued on an annual basis.</p> <p>Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured through FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date to facilitate experience rating. Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• All losses (At-Fault and Not-at-fault) are taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim;</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>• Losses falling within any special agreements with the prior Insurer.</li> </ul> <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p> <p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21a and 21b is not permitted.</p> <p>If a risk insured through FA meets the definition of a fleet, any vehicles added to the policy will be experience rated. The policy including any subsequent renewals will remain</p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>If vehicles being added to a fleet insured through FA were previously on another fleet with the same common ownership or management as the FA fleet, these added vehicles are subject to experience rating as outlined in Rule 438:B.</p> <p><b>Midterm Rating</b> Midterm rating is not permissible for changes that occur (i.e. revision of claim reserves) during the policy term merely because of the lapse of time.</p> <p>If it is discovered during a policy term that a risk is a fleet it shall be experience rated at the time of next renewal. If more than one policy qualifies for fleet rating, the fleet policy shall be issued effective the renewal date of the earliest expiring policy, based on the information for all vehicles. The remaining vehicles shall be added to the fleet at the expiry date of their policies.</p> <p>If the insurance is written by more than one Servicing Carrier, each policy upon expiry shall be subject to experience rating and shall be insured to the common expiry date.</p> <p><b>Optional Physical Damage Coverage</b> Vehicles may not be covered for Comprehensive/Specified Perils only. The Collision portion of All Perils and Collision coverage shall be regarded as the same coverage for the purposes of determining the number of months of coverage, similarly, the portion of All Perils and, Comprehensive and Specified Perils shall be regarded as the same coverage.</p> <p>Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the</p>	<p>experience rated until the risk no longer meets the definition of fleet.</p> <p>Where a new fleet is being submitted to FA and there is no verification of which claims involved which vehicles, the FA formula shall take into account the claims that occurred on all vehicles. It is the responsibility of the Agent/Broker/Insured to provide the claim history documentation for the vehicles to be insured through FA.</p> <p><del>If vehicles being added to a fleet insured through FA were previously on another fleet with the same common ownership or management as the FA fleet, these added vehicles are subject to experience rating as outlined in Rule 438:B.</del></p> <p><b>Midterm Rating</b> Midterm rating is not permissible for changes that occur (i.e. revision of claim reserves) during the policy term merely because of the lapse of time.</p> <p>If it is discovered during a policy term that a risk is a fleet it shall be experience rated at the time of next renewal. If more than one policy qualifies for fleet rating, the fleet policy shall be issued effective the renewal date of the earliest expiring policy, based on the information for all vehicles. The remaining vehicles shall be added to the fleet at the expiry date of their policies.</p> <p><del>If the insurance is written by more than one Servicing Carrier, each policy upon expiry shall be subject to experience rating and shall be insured to the common expiry date.</del></p> <p><b>Optional Physical Damage Coverage</b> Vehicles may not be covered for Comprehensive/Specified Perils only.</p> <p>The Collision portion of All Perils and Collision coverage shall be regarded as the same coverage for the purposes of determining the number of months of coverage, similarly, the portion of All Perils and, Comprehensive and Specified Perils shall be regarded as the same coverage.</p> <p>Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the claims shall</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>claims shall be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> Any reserve change for a loss in any previous term shall be added to the incurred losses of the policy term in which the reserve was changed.</p> <p><i>For example:</i> The new policy term will be May 1, 1999 to May 1, 2000. The insured had 2 losses between May 1, 1998 and May 1, 1999. The insured had 2 losses between May 1, 1997 and May 1, 1998. The insured had no losses between May 1, 1996 and May 1, 1997 but in September 1996 there was a \$20,000 reserve increase on a claim that occurred in 1994. When listing the losses that occurred in the 2nd Prior Year (25-36 months) on the Automobile Fleet Schedule, the \$20,000 reserve must be entered.</p> <p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b></p> <ul style="list-style-type: none"> <li>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</li> <li>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</li> <li>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</li> <li>d) Fleet Rating Information Statement This form provides additional information about the risk.</li> <li>e) Any additional supplements such as drivers list, taxi questionnaire.</li> </ul> <p><b>2. Incomplete Fleet submission forms</b> If the necessary information required by the Servicing Carrier to properly rate the policy is not received within 15 days of the intended effective date, the policy shall be issued at the quoted premium and cancelled by registered letter.</p>	<p>be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> Any reserve change for a loss in any previous term shall be added to the incurred losses of the policy term in which the reserve was changed.</p> <p><del><i>For example:</i> The new policy term will be May 1, 1999 to May 1, 2000. The insured had 2 losses between May 1, 1998 and May 1, 1999. The insured had 2 losses between May 1, 1997 and May 1, 1998. The insured had no losses between May 1, 1996 and May 1, 1997 but in September 1996 there was a \$20,000 reserve increase on a claim that occurred in 1994. When listing the losses that occurred in the 2nd Prior Year (25-36 months) on the Automobile Fleet Schedule, the \$20,000 reserve must be entered.</del></p> <p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b></p> <ul style="list-style-type: none"> <li>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</li> <li>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</li> <li>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</li> <li>d) Fleet Rating Information Statement or Commercial Vehicle Supplement. This form provides additional information about the risk.</li> <li>e) Any additional supplements such as drivers list, taxi questionnaire.</li> </ul> <p><b>2. Incomplete Fleet submission forms</b> If the necessary information required by the Servicing Carrier to properly rate the policy is not received within 15 days of the intended effective date, the policy shall be issued at the quoted premium and cancelled by registered letter.</p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>



## FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

### SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged. The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 427: Outside Nova Scotia Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 426: Proof of Insurance.</p> <p>Fleets cannot be issued with a term of 6 months. The applicant(s) must sign and date all documentation where indicated.</p> <p><b>4. Agent/Broker responsibilities:</b> Submit all fully completed and signed fleet submission forms. Items on the binder application dealing with specific vehicles are to be answered 'Fleet Policy'. Incomplete forms shall be returned for completion resulting in policy issuance delays.</p> <p>Premiums are to be calculated at Driving Record 0 and must include the Outside Nova Scotia Exposure Surcharge if applicable.</p> <p>If the manual does not provide information for rating a particular risk, the Servicing Carrier will assist the Agent/Broker in establishing a method of rating. The Servicing Carrier will also assist in determining rate groups which are not published.</p> <p>Collect from the applicant the premium quoted at driving record 0 or arrange a premium finance contract. The Agent/Broker is responsible for the pro rata earned premium based on the correct premium calculation at Driving Record 0 in the event of non-payment by the insured.</p>	<p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged. The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p><del>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 427: Outside Nova Scotia Exposure.</del></p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 426: <del>Proof of Insurance.</del></p> <p><del>Fleets cannot be issued with a term of 6 months. The applicant(s) must sign and date all documentation where indicated.</del></p> <p><b>4. Agent/Broker responsibilities:</b> Submit all fully completed and signed fleet submission forms. Items on the binder application dealing with specific vehicles are to be answered 'Fleet Policy'. Incomplete forms shall be returned for completion resulting in policy issuance delays.</p> <p>Premiums are to be calculated at Driving Record 0 and must include the Outside Province/Territory Exposure surcharge if applicable.</p> <p>If the manual does not provide information for rating a particular risk, the Servicing Carrier will assist the Agent/Broker in establishing a method of rating. The Servicing Carrier will also assist in determining rate groups which are not published.</p> <p>Collect from the Applicant the premium quoted at driving record 0 or arrange a premium finance contract. The Agent/Broker is responsible for the pro rata earned premium based on the correct premium calculation at Driving Record 0 in the event of non-payment by the Insured.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>Issue temporary (30 day) liability cards for each self-propelled vehicle listed on the Fleet Schedule as of the date coverage was bound. It is not permissible to use a "blanket" wording of any kind.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> The Servicing Carrier shall not provide quotations or accept fleet submissions which have not been bound. Upon receipt of the properly completed documents the Servicing Carrier shall verify the information and loss history of the risk with the previous carrier as required and ensure prompt issuance of the policy documents.</p> <p><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the applicant, the coverages shall be cancelled without charge if all temporary liability cards are returned and received by the Servicing Carrier no later than the intended effective date (the date coverage was bound). Where the temporary liability cards are not received by the intended effective date and the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</p> <p><i>For example:</i> The Agent/Broker bound coverage as of June 1 and quoted the applicant a premium of \$10,000 at Driving Record 0. On June 20, the Agent/Broker receives the fleet policy from the Servicing Carrier. The fleet has been promulgated at a premium of \$12,000. The Agent/Broker advises the insured of the premium increase and the insured advises they want to cancel the policy. On</p>	<p>Issue temporary (30 day) liability cards for each self-propelled vehicle listed on the Fleet Schedule as of the date coverage was bound. It is not permissible to use a "blanket" wording of any kind.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> The Servicing Carrier shall not provide quotations or accept fleet submissions which have not been bound. Upon receipt of the properly completed documents the Servicing Carrier shall verify the information and loss history of the risk with the previous carrier as required and ensure prompt issuance of the policy documents.</p> <p><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the Applicant, the coverages shall be cancelled without charge if the policy is cancelled by the Applicant no later than the <del>all temporary liability cards are returned and received by the Servicing Carrier no later than the intended effective date</del> (the date coverage was bound). <del>Where the temporary liability cards are not received by the intended effective date and the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</del> After the effective date, where the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</p> <p><del><i>For example:</i> The Agent/Broker bound coverage as of June 1 and quoted the applicant a premium of \$10,000 at Driving Record 0. On June 20, the Agent/Broker receives the fleet policy from the Servicing Carrier. The fleet has been promulgated at a premium of \$12,000. The Agent/Broker advises the insured of the premium increase and the insured advises they want to cancel the policy. On</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>July 18, the Agent/Broker advises the insurer to cancel the policy for non-payment. Because the request for cancellation was received within 30 days of June 20, the earned premium will be calculated pro rata on a premium of \$10,000.</p> <p>If a fleet rate has been established and the policy is cancelled because the applicant rejects the premium, where a new application is submitted within 30 days of the cancellation of the fleet policy, either covering the same vehicles, or covering less than 10 vehicles individually rated, and the applicant still has at least 10 vehicles insured under different FA policies, then the premium will be quoted at the full rate and not the individual vehicle premium.</p> <p><i>For example:</i> Using the above example, on September 1, the Agent/Broker resubmits substantially the same fleet for the same insured to the Servicing Carrier, quoting a premium of \$10,000 at Driving Record 0. The policy is issued at a premium of \$12,000 and the Agent/Broker receives it on September 22. The insured again rejects the additional premium and the Agent/Broker requests cancellation for non-payment on October 10. The earned premium will be calculated pro rata on a premium of \$12,000.</p> <p><b>7. Premium Calculation</b></p> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 414 on rating of experience (fleet) rated risk.</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b></p> <p>Prior to the expiry of experience rated insurance, the Servicing Carrier may ask the Agent/Broker to have certain forms completed to update the information on record.</p>	<p><del>July 18, the Agent/Broker advises the insurer to cancel the policy for non-payment. Because the request for cancellation was received within 30 days of June 20, the earned premium will be calculated pro rata on a premium of \$10,000.</del></p> <p><del>If a fleet rate has been established and the policy is cancelled because the applicant rejects the premium, where a new application is submitted within 30 days of the cancellation of the fleet policy, either covering the same vehicles, or covering less than 10 vehicles individually rated, and the applicant still has at least 10 vehicles insured under different FA policies, then the premium will be quoted at the full rate and not the individual vehicle premium.</del></p> <p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, a new application is submitted within 30 days will remain fleet rated. Individually rating the vehicle will not be permitted unless the risk no longer meets the definition of a fleet.</p> <p><del><i>For example:</i> Using the above example, on September 1, the Agent/Broker resubmits substantially the same fleet for the same insured to the Servicing Carrier, quoting a premium of \$10,000 at Driving Record 0. The policy is issued at a premium of \$12,000 and the Agent/Broker receives it on September 22. The insured again rejects the additional premium and the Agent/Broker requests cancellation for non-payment on October 10. The earned premium will be calculated pro rata on a premium of \$12,000.</del></p> <p><b>7. Premium Calculation</b></p> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 414 on rating of experience (fleet) rated risk.</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b></p> <p>Prior to the expiry of experience rated insurance, the Servicing Carrier may ask the Agent/Broker to have certain forms completed to update the information on record.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	Such a request will usually be made well in advance of the expiry date because of the need to issue the renewal policy/certificate/offer-to- renew before the insurance expires.  The appropriate renewal documents shall not be issued unless and until the required forms, properly completed, have been returned.  Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.	Such a request will usually be made well in advance of the expiry date because of the need to issue the renewal policy/certificate/offer to renew before the insurance expires.  The appropriate renewal documents shall not be issued unless and until the required forms, properly completed, have been returned.  <del>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</del>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums
<b>GARAGE SECTION</b>				
Table of Contents	<b>Rule 607: Territory and Outside Nova Scotia Exposure.....</b>	<b>Rule 607: <del>Territory and Outside Nova Scotia Province</del> Exposure .....</b>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premium
Rule 607 Territory and Outside Nova Scotia Exposure	<b>Rule 607: Territory and Outside Nova Scotia Exposure</b> Policies may only be issued for those locations in a jurisdiction in which FA operates. If vehicles are operated regularly i.e. more than 12 trips per year to or through more than one rating territory in Nova Scotia, the highest rated of those territories is to be used.  <b>Outside Nova Scotia Exposure Surcharge</b> Any vehicle insured under the POL 4 (Garage Policy) and operated in the U.S. or another Canadian jurisdiction (excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required. NOTE: Where vehicles/dealer plates associated with the garage risk are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.	<b>Rule 607: <del>Territory and Outside Nova Scotia Province</del> Exposure</b> <del>Policies may only be issued for those locations in a jurisdiction in which FA operates.</del>  <del>If vehicles are operated regularly i.e. more than 12 trips per year to or through more than one rating territory in Nova Scotia, the highest rated of those territories is to be used.</del>  <b>Outside <del>Nova Scotia</del> Province Exposure Surcharge</b> Any vehicle insured under the POL 4 (Garage Policy) and that is operated in the U.S. or another Canadian jurisdiction or in the U.S. ( <del>excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador</del> ) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required. <del>NOTE: Where vehicles/dealer plates associated with the garage risk are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</del>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																				
Rule 607:  Territory and Outside Nova Scotia Exposure	<p>The surcharge does not apply where the exposure involves a vehicle used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of the total mileage that vehicles/dealer plates outside Nova Scotia and the jurisdiction(s) into which the vehicle is and will be driven.</p> <p>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to the Basic Garage Premium for Liability, DCPD, Accident Benefits, Uninsured Automobile and END 81.</p> <p><b>Basic Garage Premium - Liability, DCPD, Accident Benefits, Uninsured Automobile and END 81</b> For each percentage point of total mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><td>Outside Nova Scotia Exposure</td><td>Applicable Surcharge</td></tr><tr><td>Up to 5% and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table>	Outside Nova Scotia Exposure	Applicable Surcharge	Up to 5% and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	<p>The surcharge does not apply where the exposure involves a vehicle is used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of the total mileage that the vehicles/dealer plates will be used outside Nova Scotia and the jurisdiction(s) into which the vehicle is and will be driven.</p> <p><del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to the Basic Garage Premium for Liability, DCPD, Accident Benefits, Uninsured Automobile and END 81.</del></p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><b>Basic Garage Premium - Liability, Accident Benefits, Uninsured Automobile, DCPD, and END 81</b> <del>For each percentage point of total mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium.</del> If this exposure is 5.0% or less of total mileage in the U.S. or applicable Canadian jurisdiction, a 5% surcharge will apply to Liability, Accident Benefits, DCPD and END 81.</p> <p>If this exposure is over 5.0% of total mileage in the U.S. or applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><td>Outside Nova Scotia Province Exposure</td><td>Applicable Surcharge</td></tr><tr><td>Up to 5% and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table>	Outside Nova Scotia Province Exposure	Applicable Surcharge	Up to 5% and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
Outside Nova Scotia Exposure	Applicable Surcharge																							
Up to 5% and proof of insurance required	5%																							
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# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																				
Rule 607:  Territory and Outside Nova Scotia Exposure	<p><b>Basic Garage Premium – Optional Physical Damage</b> For each percentage point of total mileage in the U.S. or other applicable jurisdiction, surcharge .50 % of the applicable premium. <i>For example:</i></p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</td></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p>At the Servicing Carrier’s discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p>	Outside Nova Scotia Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	<p><del><b>Basic Garage Premium—Optional Physical Damage</b></del> For each percentage point of total mileage in the U.S. or <del>other</del> applicable Canadian jurisdiction, surcharge .50 % of the applicable premium. <i>For example:</i></p> <table><tr><th><del>Outside Nova Scotia</del> Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</td></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p>At the Servicing Carrier’s discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p>	<del>Outside Nova Scotia</del> Province Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
Outside Nova Scotia Exposure	Applicable Surcharge																							
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Rule 608:  Proof of Insurance Where Notice of Cancellation or Deletion is Required	<p><b>B. Currency Differential Surcharge</b> Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</p> <p>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</p> <p>The currency differential surcharge is:</p> <ul style="list-style-type: none"><li>Applied only to the Liability premium (not DCPD)</li><li>Not subject to a minimum surcharge.</li><li>Additional to but not compounded on the Outside Nova Scotia exposure surcharge (See Rule 607: Territory and Outside Nova Scotia Exposure).</li><li>Additional to the Servicing Carrier’s fee for filing proof of insurance.</li><li>Payable only when proof of insurance is required by U.S. authorities.</li><li>Subject to a minimum of \$50 per policy term for the combined dollar value of the currency</li></ul>	<p><del><b>B. Currency Differential Surcharge</b></del> <del>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</del></p> <p><del>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</del></p> <p><del>The currency differential surcharge is:</del></p> <ul style="list-style-type: none"><li><del>Applied only to the Liability premium (not DCPD)</del></li><li><del>Not subject to a minimum surcharge.</del></li><li><del>Additional to but not compounded on the Outside Nova Scotia exposure surcharge (See Rule 607: Territory and Outside Nova Scotia Exposure).</del></li><li><del>Additional to the Servicing Carrier’s fee for filing proof of insurance.</del></li><li><del>Payable only when proof of insurance is required by U.S. authorities.</del></li><li><del>Subject to a minimum of \$50 per policy term for the combined dollar value of the currency differential</del></li></ul>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating.	This will not impact premium																				

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																												
Rule 608:  Proof of Insurance Where Notice of Cancellation or Deletion is Required	<p>differential surcharge and the Outside Nova Scotia exposure surcharge.</p> <p><i>Sample Calculation:</i> Rate of exchange for U.S. dollar is 1.3085 Canadian</p> <p>Therefore the Currency Differential is 0.31 Outside N.S. Exposure Surcharge is 25% (.25 factor) Currency Differential Surcharge is 0.31 X .25 = .0775</p> <table><tr><td>Liability premium</td><td>\$1,000</td></tr><tr><td>Outside N.S. Exposure Surcharge</td><td>.25</td></tr><tr><td>Currency Differential Surcharge</td><td>.0775</td></tr><tr><td>Base premium</td><td>\$1,000</td></tr><tr><td>Outside N.S. Exposure \$1,000 X .25</td><td>\$250</td></tr><tr><td>Currency Differential \$1,000 X .0775 =</td><td>77.50 \$78</td></tr><tr><td>Total Liability premium</td><td>\$1,328</td></tr></table> <p><b>C. Renewal or Offer to Renew</b> .... <b>D. Policy Cancellation, Vehicle Deletion</b> ...</p>	Liability premium	\$1,000	Outside N.S. Exposure Surcharge	.25	Currency Differential Surcharge	.0775	Base premium	\$1,000	Outside N.S. Exposure \$1,000 X .25	\$250	Currency Differential \$1,000 X .0775 =	77.50 \$78	Total Liability premium	\$1,328	<p><del>surcharge and the Outside Nova Scotia exposure surcharge.</del></p> <p><del><i>Sample Calculation:</i> Rate of exchange for U.S. dollar is 1.3085 Canadian</del></p> <p><del>Therefore the Currency Differential is 0.31 Outside N.S. Exposure Surcharge is 25% (.25 factor) Currency Differential Surcharge is 0.31 X .25 = .0775</del></p> <table><tr><td><del>Liability premium</del></td><td><del>\$1,000</del></td></tr><tr><td><del>Outside N.S. Exposure Surcharge</del></td><td><del>.25</del></td></tr><tr><td><del>Currency Differential Surcharge</del></td><td><del>.0775</del></td></tr><tr><td><del>Base premium</del></td><td><del>\$1,000</del></td></tr><tr><td><del>Outside N.S. Exposure \$1,000 X .25</del></td><td><del>\$250</del></td></tr><tr><td><del>Currency Differential \$1,000 X .0775 =</del></td><td><del>77.50 \$78</del></td></tr><tr><td><del>Total Liability premium</del></td><td><del>\$1,328</del></td></tr></table> <p><b>B. Renewal or Offer to Renew</b> .... <b>C. Policy Cancellation, Vehicle Deletion</b> ...</p>	<del>Liability premium</del>	<del>\$1,000</del>	<del>Outside N.S. Exposure Surcharge</del>	<del>.25</del>	<del>Currency Differential Surcharge</del>	<del>.0775</del>	<del>Base premium</del>	<del>\$1,000</del>	<del>Outside N.S. Exposure \$1,000 X .25</del>	<del>\$250</del>	<del>Currency Differential \$1,000 X .0775 =</del>	<del>77.50 \$78</del>	<del>Total Liability premium</del>	<del>\$1,328</del>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simplify its rating.	This will not impact premium
Liability premium	\$1,000																															
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<del>Total Liability premium</del>	<del>\$1,328</del>																															
Rule 622:  Additional Charges to the Basic Garage Premium	<p><b>D. Accidents</b> <b>3. Accident Surcharge</b> .... The surcharge for at fault accidents applied to Liability, DCPD, Owned Automobiles Collision and Legal Liability for Customers’ Automobiles is 10% for each at fault accident up to and including 5. For each additional accident above 5, the surcharge is 20%. Accidents will only be considered if they occurred in the 36 months preceding the commencement date of the policy term.</p>	<p><b>D. Accidents</b> <b>3. Accident Surcharge</b> .... <del>The surcharge for at fault accidents applied to Liability, DCPD, Owned Automobiles Collision and Legal Liability for Customers’ Automobiles is 10% for each at fault accident up to and including 5. For each additional accident above 5, the surcharge is 20%. Accidents will only be considered if they occurred in the 36 months preceding the commencement date of the policy term.</del></p>	The Accident Conviction has been changed and moved to Rule 623	This will not impact premiums																												
Rule 623:  Conviction Definitions and Surcharge Tables	<p><b>A. Conviction Surcharge Table</b></p> <table><tr><th>Events in the preceding 36 months</th><th>Percentage</th></tr></table>	Events in the preceding 36 months	Percentage	<p><b>A. Accident/Conviction Surcharge Table</b></p> <table><tr><th>Events in the preceding 36 months</th><th>Percentage</th></tr><tr><td>Chargeable Accidents</td><td></td></tr><tr><td>2</td><td>20%</td></tr><tr><td>3</td><td>30%</td></tr><tr><td>Each additional</td><td>15%</td></tr></table>	Events in the preceding 36 months	Percentage	Chargeable Accidents		2	20%	3	30%	Each additional	15%	To align accident surcharge sections of the manual in all jurisdictions.	This will impact premiums																
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# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<b>DRIVER'S POLICY SECTION</b>				
Table of Contents	<b>Rule 726: Outside Nova Scotia Exposure .....</b> A. Outside Nova Scotia Exposure Surcharge .....	<b>Rule 726: Outside Nova Scotia Province Exposure.</b> <del>A. Outside Nova Scotia Exposure Surcharge .....</del> <del>B. Currency Differential Surcharge .....</del>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium
Rule 726:  Outside Nova Scotia Exposure	<b>Rule 726: Outside Nova Scotia Exposure</b>  <b>A. Outside Nova Scotia Exposure Surcharge</b> Any driver operating a non-owned vehicle in the U.S. or another Canadian jurisdiction (excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.  The surcharge does not apply where the non-owned vehicle is used for personal use only and proof of insurance is not required.  The insured must advise the Agent/Broker the percentage of the total mileage that the vehicle will be used outside Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 728: Vehicles Used Outside Jurisdiction of Registration.  If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.  NOTE: Where non-owned vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.	<b>Rule 726: Outside Nova Scotia Province Exposure</b>  <del><b>A. Outside Nova Scotia Province Exposure</b></del> Any driver operating a non-owned vehicle in the U.S. or another Canadian jurisdiction or the U.S. ( <del>excluding New Brunswick, Prince Edward Island or Newfoundland and Labrador</del> ) is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.  The surcharge does not apply where the non-owned vehicle is used for personal use only and proof of insurance is not required.  The insured must advise the Agent/Broker the percentage of the total mileage that the vehicle will be used outside Nova Scotia, <del>New Brunswick, Prince Edward Island or Newfoundland and Labrador</del> and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 728: <del>Vehicles Used Outside Jurisdiction of Registration.</del>  <del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.</del>  <b>NOTE:</b> Where non-owned vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium



# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																				
Rule 726:  Outside Nova Scotia Exposure	<p><b>Liability, Accident Benefits, Uninsured Automobile, END 44</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Exposure</th><th>Applicable Surcharge</th></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p><b>B. Currency Differential Surcharge</b></p> <p>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</p>	Outside Nova Scotia Exposure	Applicable Surcharge	5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Nova Scotia Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	<p><b>Liability, Accident Benefits, Uninsured Automobile, DCPD, END 44</b></p> <p><del>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</del></p> <p>If this exposure is 5.0% or less of total mileage in the U.S. or applicable Canadian jurisdiction, a 5% surcharge will apply to Liability, Accident Benefits, DCPD and END 44.</p> <p>If this exposure is over 5.0% of total mileage in the U.S. or applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b></p> <p>For each percentage point of mileage in the U.S. or <del>other</del> applicable Canadian jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Nova Scotia Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>10%</td><td>5%</td></tr><tr><td>25%</td><td>12.5%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p><b>B. Currency Differential Surcharge</b></p> <p><del>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</del></p>	Outside Nova Scotia Province Exposure	Applicable Surcharge	Up to 5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Nova Scotia Province Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 726:  Outside Nova Scotia Exposure	<p>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</p> <p><b>The surcharge percentage is calculated by means of the following formula:</b></p> <p><b>Currency differential x Outside Nova Scotia exposure surcharge</b>  For example:  The rate of exchange for the U.S. dollar is 1.3085 Canadian.  Therefore the currency differential is 0.31.  The Outside Nova Scotia exposure surcharge is 25%.</p> <p><b>Currency differential surcharge:</b>  <b>0.31 X 25% = 7.75%</b>  <b>The currency differential surcharge is</b>  1. Applied only to the Liability premium (Road/Passenger Hazard) not DCPD.   2. Not subject to a minimum surcharge.   3. Additional to but not compounded on the Outside Nova Scotia exposure surcharge.</p> <p>Example:  The Liability premium is \$1,000  Outside N.S. Exposure Surcharge is 25%  The Currency Differential Surcharge is 7.75%  Base Premium \$1,000  Outside N.S. Exposure \$1,000 X .25 \$250  Currency Differential \$1,000 X 7.75 = 77.50 \$78  Total Liability premium \$1,328  4. In addition to the Servicing Carrier's fee for filing proof of insurance.  5. Payable only when proof of insurance is required by U.S. authorities.</p>	<p><del>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</del></p> <p><del><b>The surcharge percentage is calculated by means of the following formula:</b></del></p> <p><del><b>Currency differential x Outside Nova Scotia exposure surcharge</b></del>  <del>For example:</del>  <del>The rate of exchange for the U.S. dollar is 1.3085 Canadian.</del>  <del>Therefore the currency differential is 0.31.</del>  <del>The Outside Nova Scotia exposure surcharge is 25%.</del></p> <p><del><b>Currency differential surcharge:</b></del>  <del><b>0.31 X 25% = 7.75%</b></del>  <del><b>The currency differential surcharge is</b></del>  <del>1. Applied only to the Liability premium (Road/Passenger Hazard) not DCPD.</del>   <del>2. Not subject to a minimum surcharge.</del>   <del>3. Additional to but not compounded on the Outside Nova Scotia exposure surcharge.</del></p> <p><del>Example:</del>  <del>The Liability premium is \$1,000</del>  <del>Outside N.S. Exposure Surcharge is 25%</del>  <del>The Currency Differential Surcharge is 7.75%</del>  <del>Base Premium \$1,000</del>  <del>Outside N.S. Exposure \$1,000 X .25 \$250</del>  <del>Currency Differential \$1,000 X 7.75 = 77.50 \$78</del>  <del>Total Liability premium \$1,328</del>  <del>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</del>  <del>5. Payable only when proof of insurance is required by U.S. authorities.</del></p>	<p>Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating</p>	<p>This may impact premium</p>

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 726:  Outside Nova Scotia Exposure	<p>6. The combined dollar value of the currency differential surcharge and the Outside Nova Scotia exposure surcharge is subject to a minimum of \$50 per policy term.</p> <p><i>For example:</i> Using the example above, the dollar value of the Outside Nova Scotia exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	<p><del>6. The combined dollar value of the currency differential surcharge and the Outside Nova Scotia exposure surcharge is subject to a minimum of \$50 per policy term.</del></p> <p><del>For example:</del> Using the example above, the dollar value of the Outside Nova Scotia exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This may impact premium
Rule 728:  Vehicles Used Outside Jurisdiction of Registration	<p>...</p> <p><i>For example:</i> The Insured resides in Halifax and will be travelling in Alberta for the next year.</p> <p>1. The policy must be issued in the jurisdiction where the Insured resides even if the non-owned vehicle is chiefly used in another jurisdiction.</p> <p>2. If the non-owned vehicle is operated outside Nova Scotia but within Prince Edward Island, New Brunswick, Newfoundland and Labrador, Nova Scotia rates apply. If the non-owned vehicle is operated outside Nova Scotia, Prince Edward Island, New Brunswick, Newfoundland and Labrador, Nova Scotia rates and a surcharge apply. Refer to Rule 726: Outside Nova Scotia Exposure.</p> <p>3. Surcharges do not apply to non-owned private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p>4. If the Outside of Nova Scotia exposure is 5.0% or less of total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile and END 44 only.</p> <p>5. If the non-owned vehicle is being used in the U.S., it must be rated in the territory in which it is registered.</p> <p><i>For example:</i> Insured lives in Halifax, is on sabbatical in California and the vehicle is registered in Nova Scotia, Nova Scotia rates apply.</p>	<p>...</p> <p><del><i>For example:</i> The Insured resides in Halifax and will be travelling in Alberta for the next year.</del></p> <p>When a vehicle is registered in one jurisdiction but garaged or chiefly used in another, the following is to be used as a guide for rating purposes:</p> <p>1. The policy must be issued in the jurisdiction where the Insured resides even if the non-owned vehicle is chiefly used in another jurisdiction.</p> <p><del>2. If the non-owned vehicle is operated outside Nova Scotia but within Prince Edward Island, New Brunswick, Newfoundland and Labrador, Nova Scotia rates apply. If the non-owned vehicle is operated outside Nova Scotia, Prince Edward Island, New Brunswick, Newfoundland and Labrador, Nova Scotia rates and a surcharge apply. Refer to Rule 726: Outside Nova Scotia Exposure.</del></p> <p>2. Surcharges do not apply to non-owned private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p><del>4. If the Outside of Nova Scotia exposure is 5.0% or less of total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile and END 44 only.</del></p> <p><del>5. If the non-owned vehicle is being used in the U.S., it must be rated in the territory in which it is registered.</del></p> <p><i>For example:</i> Insured lives in Halifax, is on sabbatical in California and the vehicle is registered in Nova Scotia, Nova Scotia rates apply.</p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium

# FACILITY ASSOCIATION NOVA SCOTIA RULE & RATES MANUAL

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 728:  Vehicles Used Outside Jurisdiction of Registration	At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.	3. If the vehicle is operated outside the jurisdiction which it is, registered, including into the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 726 to determine the surcharges applicable.  <b>NOTE:</b> At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premium

**January 2025**

**Manual of Rules and Rates  
Nova Scotia**

**Revised All-Terrain Vehicle Rates  
Effective May 1, 2025 (New Business and Renewals)**

**Effective May 1, 2025** Facility Association is implementing the following update for new business and renewals in Nova Scotia:

- Revised All-Terrain Vehicle rates. Overall, there is a change of +5.9%. Rates may vary depending upon individual policy circumstances;

The Facility Association website [www.facilityassociation.com](http://www.facilityassociation.com) has been updated with this information.

This bulletin is being distributed by the Servicing Carrier, to whom all enquiries should be addressed.